

*Planning for a Better New Jersey:  
Managing Growth and the Implications for the  
African-American Community*



***The NEW JERSEY PUBLIC POLICY RESEARCH INSTITUTE  
BLACKS in NEW JERSEY  
TENTH ANNIVERSARY Annual Report  
1990***

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## NJPPRI MISSION STATEMENT

The New Jersey Public Policy Research Institute (NJPPRI), established in 1978, is a volunteer, non-profit, tax-exempt organization. NJPPRI is concerned with identifying, analyzing and promulgating public policy issues significantly affecting African American residents of New Jersey. The organization seeks to present these issues for appropriate public discussion and, thereby, to contribute to the development of strategies that address these issues in ways beneficial to New Jersey's African American population.

NJPPRI is statewide in focus and attempts to work cooperatively with public policy oriented individuals and organizations throughout New Jersey.

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## NJPPRI TENTH ANNIVERSARY HISTORICAL REVIEW

It is appropriate in this our tenth annual publication to stop and consider the organization and how we have grown over the years. We have been diligent in the pursuit of our mission: to identify, analyze and promulgate public policy issues which significantly impact upon African-American residents of New Jersey.

The scope of NJPPRI's activities has been extensive. In addition to our annual report series, we have produced five other special documents and articles. We have also sponsored forums on topical issues and various members have provided testimony at public hearings. Finally, we have contributed technical assistance and consultation to organizations with similar concerns.

The following selections provide a review of NJPPRI's activities since its inception as viewed by the four individuals who have served as president of the organization.

### Jerome C. Harris, Jr., President (1979-1983)

The New Jersey Public Policy Research Institute was incorporated in late 1978. In its initial structure, I was elected president and Lorenzo Littles was elected executive secretary.

NJPPRI's initial project was the Political Participation Forum, a two-day seminar held in February 1979, covering issues of African-American participation in electoral politics. NJPPRI served as the administrative vehicle for this activity which attracted over 300 registrants. Among the presenters were: Eddie Williams, President, Joint Center for Political Studies; C. Delores Tucker, Secretary of State, Pennsylvania; and Joe Madison, Director of Voter Participation, National NAACP. NJPPRI published a voter participation manual, Final Report of the Voter Education Service, as a by-product of this workshop. Among the outcomes of the activity was the formation of a New Jersey affiliate of the National Coalition of Black Voter participation.

During the period from 1979 through 1983, NJPPRI activities included:

- A Forum on Legislative Redistricting and Apportionment (1980).
- A Legislative Redistricting Project in cooperation with the New Jersey Puerto Rican Congress, supported by a grant from the Fund for New Jersey. As a part of this project, NJPPRI (1) prepared alternative proposals for aligning New Jersey's 40 legislative districts, (2) monitored the activity of the State Apportionment Commission and (3) conducted outreach workshops with African American and Latino organizations (1980).
- Published Blacks in New Jersey: 1980 (1980).
- Conducted workshops for the National Council of Black Local Elected Officials at the state and national level.
- Published Blacks in New Jersey: 1981 (1981).
- Participated as founding organization in the New Jersey Black Political Educational Coalition.
- Participated as founding and co-convening organization for the New Jersey Black Issues Convention.
- Published Blacks in New Jersey: 1982 (1982).
- Conducted a seminar entitled Briefing for Black Elected Officials (1983).
- Published Blacks in New Jersey: Perspectives on Mount Laurel II (1983).

#### Robert C. Holmes, President (1983-1987)

By September 1984, NJPPRI was in a period of transition, caused to a large extent by the movement of the core of the organization's members away from the common ground of state employment into diverse and varied new arenas. There was a corporate stress associated with this loss of a common base, as well as the loss of an ease of communicating and meeting that the common base had fostered. It was further compounded by the fact that NJPPRI had, by that same time, succeeded in making meaningful strides toward its corporate mission: to identify, analyze and promulgate public policy issues significantly affecting the African-American residents of New Jersey and to

present those issues for appropriate public discussion and, thereby, to contribute to the development of strategies that address these issues in ways beneficial to New Jersey's African-American population. These significant strides had in turn created an expectation within New Jersey that the organization's excellent work would continue.

By the time of our annual report in September 1986, it was clear to me that the organization needed to seriously consider the following actions:

1. admitting additional members;
2. encouraging broad-based participation through working committees;
3. seeking working capital to support an office and staff positions; and
4. generally encourage greater organizational formality and structure.

There was general acceptance of the recommendations to increase the number of board members, to increase the level of participation of board members through committees, and to enhance the significance of the committees. To their credit, however, board members rejected the idea of creating a formal administrative structure, including office and staff, in favor of rededicating themselves to returning to earlier levels of personal involvement and contribution. The decision was apparently based upon the rationale that administrative formality is antithetical to the basis upon which the organization was originally founded, as well as to the ingredients that give it strength.

The results of the board's renewed commitment to the original purposes and tenants of NJPPRI were profound and can be summarized by listing some of the accomplishments of that period:

- Cable TV 3: "Third World Exchange," discussion on Mount Laurel.
- Symposium on Mount Laurel, seminar/dinner.
- Symposium on Mount Laurel publication.
- NJ - BIC Workshop: "Coping With the Crisis In Affordable Housing."
- Chair, Task Force on Housing and Community Development, NJ Black Issues Convention.

- Published Blacks in New Jersey: An Overview of Incomes and Occupations (1984).
- Testimony before a State Senate Committee reviewing the Fair Housing Act.
- Published Blacks in New Jersey: A Review of Recent Selected Developments (1985).
- WNJR Radio: "Essex Medical Forum," discussion on the 1985 Annual Publication.
- NBC TV. 4: "Positively Black," discussion on the 1985 Annual Publication juxtaposed to the Urban League's "State of Black America."
- Published Blacks in New Jersey: A Review of Blacks in South Jersey (1986).
- Dinner Seminar: Significance to the Black Community of the New High School Proficiency Test.
- Became a Member Organization, The Partnership for New Jersey.

Bruce Ransom, President (1987-1989)

From September 12, 1987 through September 8, 1989, I served as President of NJPPRI. My tenure was marked by streamlining organizational matters and continuing the Institute's commitment to analyzing issues of importance to African Americans.

Several organizational objectives were achieved. First, significant progress was made toward increasing the attendance of members of the Board of Directors at regular meetings. Second, NJPPRI's financial status was given considerable attention. The treasurer and the specially created Audit Committee reviewed the financial records of the corporation, providing NJPPRI's first comprehensive audit.

Third, generous support for two issues of the annual publication, special reports on the 1989 gubernatorial election, and a retreat/roundtable on issues in the Atlantic City area was obtained from several funding sources. The sources included the Black United Fund of New Jersey, the University of Medicine and Dentistry of New Jersey, the New Jersey United Minority Business Braintrust, the Victoria Foundation, 100 Black Men of New

Jersey, and Black PAC. Support for the annual publication enabled NJPPRI to give, for the first time, honoraria for outside writers and to permit desktop publishing of these documents. Fourth, new standing committees were created on By-Laws, Planning, and Fundraising.

Programmatically, NJPPRI continued to conduct seminars and publish its annual document. Several members of NJPPRI took the lead in projects that have research, analysis, and advocacy components. These issues include education finance, gubernatorial politics, early intervention for at-risk children, health care, ethics in government, and economic opportunity.

In addition, several board members, with NJPPRI support, forged linkages with organizations that are associated with these issues, including the Legislative Black Caucus, the Urban Education Advocates, Vision 2000, the State of Black and Minority Health Conference, the Political Education Project of the NAACP, and the Partnership for New Jersey.

NJPPRI continued its longstanding relationship with the New Jersey Black Issues Convention, including its role as a sponsoring organization and serving on its Board of Directors. At each Black Issues Convention, NJPPRI organized a panel or a workshop.

The work of NJPPRI continued to attract media attention, thereby helping to bring its analysis of issues to the broader public. Articles on the annual publication and other projects have appeared in The Star-Ledger, Trenton Times, The Press of Atlantic City, and other newspapers. In addition, television and radio coverage, including the appearance of board members on public affairs programs of New Jersey Network, contributed to the Institute's efforts to communicate with all New Jerseyans. Other specific activities included:

- A roundtable of experts was invited to join the Board of Directors in discussing and debating the topic of the upcoming publication, urban education.
- Published Blacks in New Jersey: Crisis in Urban Education, (1987).
- A roundtable entitled, "Blacks in the Atlantic County Economy," was held at Stockton State College and included top political/governmental, business/casino,

and community leaders in the Atlantic City region (1988).

- A roundtable of experts was invited to join the Board of Directors in discussing and debating the topic of the upcoming annual publication, *Minority Health Issues at the Rutgers Medical School* (1988).
- Published Blacks in New Jersey: Health Concerns of New Jersey's African American Community (1989).
- NJPPRI was an active participant in the first statewide conference on the state of minority health in New Jersey (1989).
- Special reports entitled, "An African-American Perspective on the 1989 Gubernatorial Elections," were published and widely distributed during the primary and general elections (1989).
- A seminar entitled, "The Black Public Official, Public Scrutiny and Misconduct in Office," was conducted for African American elected and appointed officials and held at Princeton University's Woodrow Wilson School of Public and International Affairs (1989).
- A seminar entitled, "Education Finance Issues," was held at Rutgers University in New Brunswick, in conjunction with the Legislative Black Caucus (1989).

Gwendolyn I. Long, President (1989 - present)

I began my tenure as President of NJPPRI during the final months of a gubernatorial election, followed closely by heated debates about tax reform and a new formula for the financing of public education. These issues denote the challenges which we face in this the last decade of the twentieth century. Many of our members have worked assiduously to ensure that these and other challenges have responses that reflect the needs and concerns of the African-American community.

Internally, we as an organization have also been confronted with challenges. Our membership has grown in number but also in individual and collective accomplishments. As a result, there are increasing expectations of us as an organization to analyze issues and

to provide our community with options in response to those issues.

At a Board of Directors retreat in June of 1990, NJPPRI made the determination that we must broaden our funding base in order to establish a small staff. This staff will assist us in the analysis of public policy and the development of strategies to address the issues that such analysis demands. This will be a major endeavor for NJPPRI.

As we consider the issues raised by the ten issues of **Blacks in New Jersey** and as we assess the progress of African Americans with respect to health, education, economic development, housing, or participation through the various levels of government, we know that we cannot rest on our laurels. Unfortunately, we anticipate that the 1990 census will not reflect the strides which we feel necessary to indicate improvement since our review of the 1980 census in **Blacks in New Jersey: 1980, 1981, and 1982**. This decade demands that we continue our undertaking, striving to strengthen our impact in the discourse of public policy.

## INTRODUCTION AND OVERVIEW: WHAT THE FUSS IS ALL ABOUT

By

Henry A. Coleman

### Introduction

The articles in this volume address several major questions, such as what is growth management and why is it important to African Americans in New Jersey? For much of the decade of the eighties, New Jersey was one of the fastest growing states in the country (Here, growth refers to the amount of economic development that is occurring, rather than to changes in the state's population.) Much of this growth reflected the outcomes of a myriad of independent decisions made by individual units of local government, the so called 'ratables chase.' Municipalities sought to attract development to their jurisdiction in an attempt to expand their (property) tax base. Moreover, municipalities were often selective in the type of development activity that they tried to attract. Agriculture and open space are often viewed as less attractive in terms of their fiscal importance. Office developments and shopping malls were preferable to smokestack firms because they were much cleaner. In addition, commercial and industrial developments were preferred to housing because housing meant children and children required expenditures for schools. Commercial and selected industrial developments presented relatively few service requirements on local government. (Of course, the assumption was that infrastructure services—roads, bridges, sewers, water supply, etc.—would be necessary to support all types of development.) The dual objectives of expanding their tax base while keeping a lid on the level of public services provided are often among the motives attributed to municipalities. These are also among the major factors contributing to the growth patterns that emerged in the State of New Jersey over the last decade or so.

## The Need for Growth Management

Economic development is the principal method by which the standard of living has been increased over time in the United States. Why then should there be any problems associated with the independent decisions made by local government and firms in the name of economic development?

The problem is that growth produces both benefits and costs to a community and its residents. The potential benefits of growth include more and/or better jobs, a larger economic base (to finance public services), and higher incomes and standards of living. The potential costs include more congestion and pollution, pressures to increase the number and level of public services (especially infrastructure services), and the loss of treasured open spaces. Moreover, there is also the occurrence of spillovers. Spillovers occur, for instance, when one municipality makes a decision to attract development and then reaps the benefits of that growth while another municipality absorbs (a portion of) the costs of that development. For example, when a major shopping mall goes up in Lawrenceville, adding significantly to its property tax base, Hamilton Township and Trenton must deal with the problems of increased traffic volume and the resulting damage to their road network.

How have the benefits and costs of recent economic development activity been distributed among municipalities and households in New Jersey? Available evidence suggest that urban municipalities and low-income households have not shared proportionately in the benefits of the development that has occurred over the last decade. However, low-income households and urban municipalities have suffered from the loss of affordable housing, a deteriorating infrastructure, and higher rates of unemployment.

An equally compelling question is how will the benefits and costs of future development be distributed among municipalities and households? As New Jerseyans become increasingly concerned about the quality of the environment and the loss of open

spaces, will the pressures to slow or eliminate growth intensify? If development does not occur, or occurs at a pace different than in recent years, who gains and who loses? More importantly, who determines how the impacts of growth are distributed? Finally, since low income households and residents of urban municipalities are so significantly affected by both the development process and outcomes, what will be their role in influencing these decisions?

### Growth Management

How can New Jerseyans maximize the benefits of development while minimizing its costs? To many, the answer to this question is called "growth management." Growth management refers to efforts by state and local governments to influence the level, pace, type and location of development occurring within the state. True, these decisions can be made by the impersonal functioning of the market, and generally that is the preferred method. However, as indicated above, the market outcomes may produce development patterns that our society deems undesirable. For example, in the absence of intervention by state or local government, the level of development may be too slow to accommodate the projected increases in the size of the workforce. This will result in an inadequate level of new job opportunities and, therefore, greater unemployment. Policies to stimulate development and employment would seem appropriate in this case. Alternatively, development may occur too fast and extensively and represent a threat to treasured values of open spaces, clean environment, and unpolluted air and water. If development occurs too rapidly, it may outstrip the capacity of extant public services (e.g., schools, roads, etc.) and increase the pressures to expand state and local budgets (i.e., expenditures and taxes<sup>1</sup>). Policies to limit or control development will surely accompany this situation.

Finally, public intervention is suggested where development is distributed inappropriately. That is, it does not conform to the availability of land, infrastructure, or

the location of the available workforce. Public policies can be useful to help align development with the location of these available resources.

In a nutshell, growth management is an attempt to reduce discrepancies between the level, pace, type and location of development that actually occurs and the pattern that would be most desirable from society's perspective. Major state-wide growth management initiatives are currently underway in New Jersey through the efforts of the State Planning Commission. In addition, local planning activities are underway through county and municipal planning offices and through organizations such as the Capital City Redevelopment Corporation (CCRC). Given the potential significance of growth management in New Jersey, what has been the role played by members of the African-American community? Are the concerns of the African-American community adequately and accurately represented during the deliberations of the various organizations involved in growth-management efforts around the state?

#### Growth Management and the African-American Community

The reality to date is not very sanguine. Available information indicates that African Americans have not been significantly involved in any of the major planning efforts currently underway in New Jersey. Questions exist as to whether the current situation is a result of exclusion or lack of outreach by the planning organizations or of apathy and misplaced priorities on the part of the African-American community. (In several instances, the specific problems of low-income households or urban residents are discussed. However, since African Americans tend to be disproportionately represented among poor and urban residents, the relevance of these issues is apparent.) These are among the topics analyzed by the contributors to this volume.

## Overview

Roland Anglin relies on the results of a recent public opinion poll conducted by the Eagleton Institute of Politics to examine the perspectives of African Americans in New Jersey on various aspects of growth management. Specifically, job creation is relatively more important than controlling growth for African Americans. However, when the negative aspects of growth (e.g., pollution and congestion) are considered, the attitudes of African Americans in favor of managing growth is very similar to that for the general population.

Fred Vereen documents the extent and significance of a lack of participation in the planning process by African Americans. This lack of participation is particularly important in that planning is the mechanism used to keep African Americans in their neighborhoods, to destroy those neighborhoods, and to move African Americans from those neighborhoods against their will. As Vereen notes, for African Americans, planning is the pursuit of social justice, rather than simply an expression of concerns about zoning, infrastructure, or the environment.

C. Roy Epps and Denise Moody-Lane describe the goals and components of the Preliminary State Development and Redevelopment Plan, the major state-wide, growth-management effort currently underway in New Jersey. Among the many issues raised in this selection are concerns about the quantity and type of information disseminated by the State Planning Commission (and its staff organization, the Office of State Planning). Most importantly, these two authors bemoan the lack of attention devoted to affordable housing during the state planning process to date.

Helen Yeldell focuses on one of the major components of the state planning effort, the Cross-Acceptance Process. She stresses the evolving nature of New Jersey's urban municipalities and notes the major concerns currently confronting cities, such as crime, drugs, unemployment, etc. Yeldell notes the need for greater opportunities for public

participation in the state planning process. However, she also argues for a better balance between planning for a social infrastructure and a physical infrastructure. One suggestion is that more "people oriented" state government agencies should be integrally involved in the state's planning effort.

Roberta Moseley continues the theme of a need for greater participation by the public, especially community-based organizations. She points out the fact that involving these community groups will require more cooperation, coordination, and networking than local planners customarily feel the need to provide. Similarly, city dwellers will also have to discard their role as passive victims and accept the responsibility of self-determination.

Mark Quinn offers a specific vehicle for involvement in economic development by neighborhood organizations. Neighborhood Development Corporations (NDC) may provide the means for urban residents to go beyond participation and become active partners in the development process. Moreover, these NDCs can be established as for-profit entities that generate funding for housing and other local development activities.

Leland McGee stresses the importance of achieving greater coordination among existing development assistance programs, and the potential role of the state planning process in pursuing this objective. He describes several similar attempts at greater coordination that have occurred in other countries and other states. These programs are well worth examining here because of the importance of greater employment opportunities to African Americans and the potential role of minority, women-owned and small businesses as potential sources of employment.

Wayne Bradley analyzes the role of infrastructure investments (e.g., roads, bridges, sewers, water supply systems, etc.) in influencing the location of development. He identifies an apparent conflict between state policy rhetoric, which supposedly wants to encourage greater development in urban areas, and state expenditures (directly or through state aid to localities) for infrastructure investment. Bradley suggests that a more effective practice would be to manage growth by permitting development where it can be accommodated rather than accommodating it wherever it occurs.

Howard Moon broadens the scope of our attention to focus on several areas critical to urban revitalization, including education, (property) tax reform, housing, and employment. In the absence of significant strides in achieving real reform in these and other areas, urban revitalization will remain an elusive goal. Many of these reforms may well be beyond the scope of activities or responsibilities for state and local planning units. However, they must be pursued concurrently and enthusiastically if meaningful revitalization is to occur.

Finally, Barbara Eanes emphasizes the importance of local planning efforts by examining the activities of the Capital City Redevelopment Corporation (CCRC). Several concerns are raised. First, she notes the sometimes conflicting goals of state and local planning efforts. More importantly, Eanes stresses that urban revitalization should focus more on the needs of current residents rather than concentrating on attracting suburban or out of-state residents back into our cities. Like several of the other authors, Eanes thinks that both CCRC and leaders in the African-American community must do more to ensure that the concerns of African Americans are known and adequately represented in the deliberations of planning organizations.

In each instance, the contributors to this volume identify or clarify major issues relating to efforts to manage growth and what those efforts portend for the African-American community. In addition, several suggestions for improvement are presented or suggested by the authors. NJPPRI's intention was not to provide an exhaustive or definitive study on this topic. Rather, our aim was to increase awareness, stimulate thinking, and contribute to the development of useful policies and programs to address the issues of importance. In this sense, the contributors to this annual report have provided a valuable service to citizens and policymakers throughout the state.

# AFRICAN AMERICANS AND THEIR SUPPORT FOR GROWTH MANAGEMENT

By

Roland Anglin

## Introduction

In January of 1985, Governor Thomas Kean signed legislation creating the State Planning Commission and the Office of State Planning. The State Planning Act is an attempt to respond to a need for "sound and integrated Statewide planning and the coordination of Statewide planning with local and regional planning in order to conserve New Jersey's natural resources, revitalize its urban centers, protect the quality of its environment, and provide needed housing and adequate public services at a reasonable cost while promoting beneficial economic growth, development and renewal."<sup>1</sup>

The framers of the State Planning Act wanted to address many of the problems resulting from rapid unplanned spatial growth. Additionally, the legislature wanted to help areas of the state faced with declining economies - mainly older cities that were formerly industrial centers. Thus the mandate of the State Planning Commission and the Office of State Planning is to construct a state planning document that:

- identifies areas of the state that can support growth, or alternatively, should be preserved as open space; and
- is instrumental in the redevelopment and revitalization of the state's urban areas.

The work of the Commission and the Office of State Planning proceeds apace. There have been some trouble spots. Many in the farm and development communities worry about the economic effects of the final State Plan. Others point out a lack of an "urban voice" in the policy debate surrounding the state planning process.

The latter issue is of special concern to African Americans. Whatever the merits of the State Planning Act and any final State Plan, the fact remains that the state planning

process is a potential springboard. African Americans in the state can use this springboard to voice concern, publicly, about the urban environs in which many live.

As several authors in this volume point out, African Americans in concerted numbers, have been absent from policy debates about state planning. Some might say such an absence is logical and readily explainable. Growth management they assert, is mainly a suburban issue. For African Americans, and the areas in which they live, the issue is not how to manage growth or contain it. The issue is how to foment new growth and development. As such, African Americans and their leaders probably find state planning ephemeral in relation to pressing issues such as jobs, inadequate health care, the lack of affordable housing and a litany of other urban ills.

The argument has credence. Yet it might be premature to say that African Americans are unconcerned with growth management issues.<sup>2</sup> In this paper, I examine African-American public opinion on issues of rapid growth and tradeoffs between economic growth and a clean environment. I also examine the support base for a growth management within the African-American community. From the findings, we may be able to gauge if the lack of African-American "voice" in the state planning process reflects a widespread lack of concern about state planning.

#### Data and Methodology

Data for this study come from a survey conducted in 1987 at the Eagleton Institute for Politics at Rutgers University. One thousand New Jerseyans were randomly polled, by telephone, for their opinion on various growth and development issues. Of that 1000, 83% or 834 respondents, are white. Ten percent of the sample, or 147 respondents, are African Americans.

Of the African Americans, 35% live in a central city. An additional 33% live in an older suburb adjacent to a central city. Twenty-five percent live in a relatively new suburb.<sup>3</sup>

Education levels are high in our sample. Seventy percent of the African Americans had more than a high school education.<sup>7</sup> The figure is eighty percent for whites. Only 20% of the African Americans and 11% of whites had less than a high school education.

Reported income is also high. Forty-eight percent of the African Americans made over \$30,000 compared to 62% of the whites who made more than the \$30,000 figure. Only 15% of the African Americans made under \$15,000 dollars. Thirty-seven percent earned between \$15,000 and \$30,000.

Given these figures, the question becomes, is this a representative sample? Many poor households simply do not have telephones so it is hard to include them in this type of survey. Thus there is less than-adequate representation of low income African American. This does not mean our study is useless. Like any other racial and ethnic group, the African-American community is diverse. While we might not have adequate access to those at the bottom of the income and educational ladder, we can still examine and record the opinions of other segments in the African-American community.

The format of the study relies on comparisons between African Americans and whites that answered survey questions on growth and growth management. The main question is as follows: Are African-American New Jerseyans different in their preference for growth and growth management policies than white New Jerseyans?

#### A View of Recent Growth

The last decade saw a great deal of growth in the state of New Jersey. This growth has brought unprecedented challenges in the areas of land use management, quality of the environment, traffic control and urban revitalization.

For African Americans living in urban areas the picture is mixed. Some cities, like Newark, have been steadily redeveloping. Jersey City and Hoboken have benefitted from economic and residential spillovers from New York. Yet these mild successes mask the unequal development that has taken place within these cities. Newark's downtown is doing

well although the neighborhoods are stil. in need of great help. Further, there are stil. cities, like Camden, where capital formation is negng.bie and social maladies abound.

Respondents were asked if they saw any changes in growth in their area.<sup>5</sup> Table 1 shows that 59% of whites and 40% of African Americans perceive a great deal of economic growth in their area. More than whites, African Americans saw little or no growth in their areas (35% as compared to 19%) but overall growth is present in the areas where both groups live.

TABLE 2.1  
AMOUNT OF GROWTH IN RESPONDENT AREA BY RACE

	Whites	African Americans	
Great deal	59	40	544 (56%)
Some	22	24	215 (22%)
Little	15	25	163 (17%)
None	4	10	48 (5%)

N=970

\* Percents may not total to a 100% due to rounding.

The respondents were asked to rate whatever growth they perceived in their communities. African Americans are more likely to rate growth as positive than their

white counterparts (66% compared to 45%). Alternatively, whites strongly feel that the growth they have been experiencing is negative (33%). Only 11% of the African Americans rated growth negatively.

Respondents were asked if they wanted at one end, a "great deal" of growth in the future or, at the other end, "no growth."

TABLE 2.2  
RESPONDENT DEMAND FOR FUTURE GROWTH BY RACE

	Whites	African Americans	
Great deal	8	46	131 (14%)
Some	25	24	231 (25%)
Little	7	6	65 (7%)
No Growth	60	25	512 (55%)

N=939

\* Percents may not total to a 100% due to rounding.

African Americans register a strong preference for a great deal of growth (46%), while whites demand abated growth (60%). New Jersey African Americans and whites differ significantly in their perception and demand for growth. Whites, mostly in relatively new suburbs, see future growth despoiling their low-density lifestyle even more than what has already occurred. African Americans see new growth as an avenue to economic

stability -- if not prosperity. These findings are not surprising and lend support to those who say the issue, for African-Americans, is not controlling growth but encouraging it.

### Making Growth Relative

It would be easy at this point to say managing growth is mainly a white suburban issue. Such a conclusion may be premature. The preceding questions tap one dimension of respondent opinion. The questions did not ask them to rank growth relative to some of the noxious results of economic and spatial growth. While this added dimension may not affect the attitudes of whites, since they are already solid in their feeling about growth, it may reveal a new complexity to African-American opinion.

The survey asked respondents three questions which can be termed tradeoff issues. The general format of the question asked respondents if they would sanction increased economic growth if it means increased environmental degradation, traffic congestion or loss of open space.

Specifically, the first question presented here asked the respondent if they would sanction stricter environmental laws even if the result meant lowered economic growth. African Americans are split, not evenly, but still split (see Table 2.3). Fifty-seven percent support strict laws, while another 42% favored relaxed laws that promote increased growth. Whites, though, unquestionably favor strict laws no matter what the economic consequence. There are significant differences in how both groups view the question.

TABLE 23  
RESPONDENT SUPPORT OF STRICT VERSUS RELAXED  
LAWS TO REGULATE THE ENVIRONMENT BY RACE

	Whites	African Americans	
Strict laws	79	57	719 (76%)
Neutral	4	2	31 (3%)
Relax laws	18	42	201 (21%)

N=951

\* Percents may not total to a 100% due to rounding.

The second question posed a tradeoff between increased growth along with increased traffic congestion as opposed to less growth and decreased traffic congestion. Unlike the previous question, African Americans show more of a willingness to accept less growth when coupled with a side effect. A large majority of African Americans (68%) would trade economic growth for uncongested roads. Still, whites are more amenable to this tradeoff than African Americans (81% compared to 68%). Moreover, although there is more convergence between the groups on this issue (growth versus congestion) there is a statistically significant difference between the two groups.

TABLE 2.4  
RESPONDENT DEMAND FOR GROWTH VERSUS TRAFFIC  
CONGESTION BY RACE

	Whites	African Americans	
More growth and congestion	15	27	158 (16%)
Neutral	4	6	42 (4%)
Less growth and congestion	81	68	761 (79%)

N=961

\* Percents may not total to a 100% due to rounding.

Our last tradeoff question involves preservation of land. The question asked respondents to choose between preservation of open space and economic growth. If there was ever a question that tests the hypothesis that growth management issues are foreign to the African-American community, this is it. If African Americans are only concerned with economic issues, then we should see strong -- if not overwhelming -- support for growth at the expense of open space.

Such strong support is not evident. African Americans, much like their response to traffic congestion, are split over the issue of open space preservation and growth. Forty-six percent of all African Americans in the sample support economic growth over land preservation. Yet 48% said they prefer the latter. There is a significant statistical difference between African Americans and whites on this question.

TABLE 2.5  
RESPONDENT DEMAND FOR ECONOMIC GROWTH VERSUS LAND  
PRESERVATION BY RACE

	White	African Americans	
Economic Growth	23	46	252 (86%)
Neutral	12	7	105 (11%)
Land preservation	65	48	599 (63%)

N=956

\* Percents may not total to a 100% due to rounding.

The conclusion one should draw from the tradeoff questions is that African Americans tend to favor economic growth over many core issues of growth management. African-American opinion, though, is not rigid. There is a willingness to consider growth management issues in their preferences for growth.

#### Actual Support for Growth Management Policies

The last set of issues considered here is actual support for growth management. From Table 2.6 below, it is evident that growth management enjoys support among respondents in our sample. Respondents, both African-American and white, think the issue is important. One hesitates in saying both groups think the issue is critical. Whites believe that managing growth was a bit more critical than African Americans (29% compared to

23%) but not by much. African Americans, though, strongly believe growth management is important (68%)

TABLE 2.6  
IMPORTANCE OF MANAGING NEW JERSEY GROWTH AND DEVELOPMENT  
BY RACE

	White	African Americans	
Critical	29	23	268 (28%)
Important	57	68	563 (59%)
Not very	14	10	125 (13%)

N=956

\* Percents may not total to a 100% due to rounding.

Only a very small part of the sample thought growth management was not very important (13%). In addition, there is no difference, statistically, between the groups on this question. The second question asks "should state government take an active role in coordinating and managing growth?"

TABLE 7  
SHOULD STATE BE INVOLVED IN ECONOMIC DEVELOPMENT  
AND LAND USE PLANNING BY RACE

	Whites	African Americans	
Should	85	92	804 (86%)
Should not	15	8	133 (14%)

N=937

\* Percents may not total to a 100% due to rounding.

A large percentage of the sample said state government should be involved in growth management (86%). African Americans, by a slight margin, felt stronger about this than whites. This finding is interesting given the attachment to local control by New Jerseyans. Even more fascinating is the strong support African Americans show for growth management. The question one may ask is why this strong support of growth management given their strong support of growth? Further, what factors are correlated with African-American support for growth management?

The survey asked respondents a series of questions about the "critical" nature of many policy issues.<sup>6</sup> The data for Table 2.7 were derived from such a question. Using five policy problems, two sets of correlations coefficients were calculated for white and African-American support of managing growth and development. The policy problems are:

- cleaning up and managing the environment,
- affordable housing,
- maintaining and improving the state's system of roads and highways,
- revitalizing the state's urban areas, and
- reducing traffic congestion on roads and highways.<sup>7</sup>

TABLE 8  
CORRELATION BETWEEN RESPONDENT FEELING ON GROWTH  
MANAGEMENT AND ALLIED POLICY ISSUES BY RACE

	Whites	African-Americans
Environment	.20**	.25*
Affordable housing	.19**	.13
Public infrastructure	.11**	.01
Urban revitalization	.17**	.24*
Traffic congestion	.07	.06

\* Significant at .05

\*\* Significant at .000

The correlation coefficients clarify the basis for group support. For whites, there is a significant correlation between growth management and the critical and important nature of all the allied policy issues except traffic congestion. Alternatively, for African Americans, only two policy issues are allied with growth management: cleaning up the environment (.25) and urban revitalization (.24).

The coefficients make sense. Out of all the policy issues that the State Planning Act seeks to address, urban revitalization is of greatest concern to African Americans

Some might find the significant correlation between cleaning up the environment and growth management a curious concern for African Americans. Not so. Perhaps the strongest reason African Americans show strong support for environmental cleanup is the fact that they live in some of the most environmentally damaged areas of the state.<sup>4</sup> Thus for African Americans, the environment is as much a concern as it is for white New Jerseyans.

## Conclusion

The data in this study show that there are significant differences in the way African Americans and whites view growth. Whites are dissatisfied with the side effects of rapid, uncontrolled growth. African Americans view rapid growth positively. African-Americans, though, are less supportive of unbridled growth when tradeoff issues are introduced (e.g., environmental quality, traffic congestion and loss of open space). Both African Americans and whites are strongly supportive of state participation and direction in land use planning and economic development.

There are obvious points where African Americans and whites diverge in the growth management debate. The differences may seem hard to breach. For whites, the issue is limited density. For African Americans the main issue is growth that produces jobs and spatial redevelopment. The state planning process that is underway may well be the vehicle that can serve both sets of interest.

The state planning process can easily become a move to limit density while giving short shrift to urban areas and the African Americans that are concentrated there. The African-American community and its leadership must articulate a clear desire to participate in the state planning process. Along with that, the State Planning Commission must construct tangible policy planks that serve the interests of African Americans in urban New Jersey.

The excuse cannot be offered that a lack of interest exists on the part of the African-American community. The interest is there. Motivation to participate, however, is based on the perception that the process is meaningful. Whether the State Planning Commission and the Office of State Planning can make the process meaningful to African Americans remains an open question.

## Notes

1. The State Planning Act (P.L. 1985), pg. 1

2. On October 17, 1989 a coalition of groups representing urban interests held a new conference decrying the state planning process. The representatives charged that the State Plan was being developed without input from "urban constituents." Further, the assembled group was most concerned about how the State Plan would affect issues of gentrification and affordable housing. See Trenton Times, "Urban Groups Join Fight Against State Growth Plan," October 18, 1989 also The Newark Star-Ledger, "Civic Groups Rip State on Development Plan," October 18, 1989.

3. Only 5% of whites live in a central city. The majority (56%) live in a relatively new suburb.

4. The 70% figure is deceiving. Only 33% of that number are college graduates.

5. The actual wording of the question is "many communities in New Jersey have been experiencing a great deal of growth in the last few years. How much new development has there been around the area where you live -- a great deal, some, just a little or none?"

6. The categories for the various policy questions are Critical, Important and Not Important.

7. These policy problems are all central goals of the State Planning Act.

8. The within-group correlation, for African Americans, between urban revitalization and cleaning up the environment is .21.

THE AFRICAN-AMERICAN COMMUNITY  
AND ITS INVOLVEMENT WITH  
THE STATE DEVELOPMENT AND REDEVELOPMENT PLAN

By

Fred Vereen, Jr.

Introduction

I have served as a member of the State Planning Commission, appointed by the Governor to represent the public, since its inception in 1987. During this period, there have been numerous discussions about how to encourage participation by African Americans in the development of the State Plan. However, the actual involvement of this sector of society has been virtually nil. Consequently, the State Planning Commission has, by default, become another means of excluding African Americans from the process of making decisions that affect their very existence. Without African-American input, a disservice is done to all of us who will live with the Plan ten, fifteen and twenty years from now. The purpose of this article is to describe the extent and significance of excluding African Americans. I will also place this exclusion in a historical context and suggest a way to encourage African Americans and other minorities to participate more.

The State Plan will set forth broad policies for the future development and redevelopment of New Jersey while considering such topics as economic growth, natural resources conservation, housing, environmental protection, urban revitalization and public services. After its adoption (expected in 1991), it will be reviewed, revised and readopted by the State Planning Commission every three years.

## Background

By the year 2010, the population of New Jersey is expected to increase by 1.3 million people with one million more jobs attracted to the area. In 1985 the African-American population in New Jersey was estimated at 1,028,000, 13.6 percent of the State's population. Most of this population is concentrated in highly developed urban areas. The State Plan will influence the growth patterns of the State, the location and quantity of housing and the location and number of jobs. Thus directly or indirectly, the State Plan will affect the level and placement of educational facilities and other public services that affect the African-American community.

The State Plan will address problems in terms of long-range goals. True many of the problems facing the African-American community are pressing and need immediate attention. However, even short-range goals must often be observed in a context of long-range considerations. Sometimes, when that approach is chosen, short-term solutions are more easily obtainable.

A Preliminary Plan has been drafted. Now we are engaged in the Cross-Acceptance Process by which representatives of all levels of government can review the effects of the proposed Plan on their constituents. The purpose is to identify areas of agreement and disagreement and to reconcile the differences among various policies. Municipalities, counties, State agencies and the public are able, and in fact are encouraged, to comment and seek revisions.

Historically, minorities have not been engaged in traditional planning. The reason may find a base in the many competing problems found in the African-American community. By now we are familiar with the problems. Unemployment, infant mortality, crime, unwed teenage mothers, drug and alcohol abuse, illiteracy and poor housing are a few of the major ones. These are the items on the agenda which must be addressed immediately. For the African-American community, planning is the pursuit of social justice,

rather than zoning, infrastructure or environment. This leads to seeking short-term solutions to long-term problems.

A significant planning process immediately followed World War II. African-American and white soldiers came home, but new communities were planned and constructed for white veterans. The Levitt Homes are an example. African Americans were excluded from planning this community and from living in it.

During the 1950's, Urban Renewal had the effect of demolishing communities and uprooting families. Those who could not move to the suburbs were moved from their old neighborhoods of row houses to high-rise apartment buildings. It was a totally new environment planned without the input of the occupants.

### The Current Situation

In more recent years, poor people became trapped in the cities when suburban communities practiced large-lot zoning that effectively eliminated affordable housing. The 1975 Mount Laurel I decision of the New Jersey Supreme Court prohibited municipalities from using "exclusionary" zoning to keep out the poor. But it was not until Mount Laurel II in 1983 that the Court provided a method for developers to create affordable housing in those municipalities that continued to defy its earlier rulings. In 1985, the Fair Housing Act established a procedure for municipalities to plan to meet their fair share of affordable housing. However, this law also created Regional Contribution Agreements, a means by which suburban municipalities can send up to half of their share of affordable housing to a willing municipality in return for a negotiated payment. The effect has been to transfer housing production from the suburbs to the inner cities, again limiting the number of African Americans, poor and other minorities that can move out.

As African-American leaders have progressed from voter registration to power politics, it has been easy to assume that the mere possession of political clout can resolve social and economic problems. This is not to suggest that political power has been the

only goal pursued by African Americans in recent years. However, this strategy has been so dominant that viable alternatives have not been researched and adapted to current political and social realities.

African Americans have failed to realize that planning as a strategy has kept them in their neighborhoods, destroyed those neighborhoods and moved them against their will. They have been so busy trying to survive that they have not used planning to reach their goals. As a result, there are limited numbers of African Americans in the planning profession and among those who serve as volunteers on local and county planning boards. This is apparent from the following information on minorities in the planning professions.

#### Minorities and Planning

Among 7,420 respondents to a 1987 nationwide Planners Salaries and Employment Trends Survey, 55 percent were minority group members; 1.9 percent were African American. There are four African Americans holding a New Jersey planner's license. One is a municipal planning officer. One is a director of Economic Development. Two are working as consultants and developers.

There are eight African Americans working in the planning agencies of our 21 counties. In New Jersey's 567 municipalities, nine African Americans are employed as planners. Only one is planning director.

Specifically, regarding development of the State Plan, only 12 cross-acceptance representatives are African American. In the Cross-Acceptance Process, municipalities designate representatives to incorporate their concerns into the State Plan. Each municipality is entitled to two representatives, a total of 1,134. Thus, African Americans comprise only one-tenth of one percent of this group.

The Office of State Planning, the administrative arm of the Planning Commission, has a staff of 31 employees. At the time of this writing, it employs no African-American planning professionals. On two separate occasions, it has had one African-American

employee. During the course of putting the Preliminary Plan together, three major consulting firms received contracts. No minority group members were part of the project team assigned by their organizations to work on the State Plan contract. The State Planning Commission itself has 17 members. Currently, only two are African Americans.

We see history repeating itself. Planning is being done for and not with the African-American community.

During my tenure as a Commission member, I have attended most of the meetings held around the State. There have rarely been more than three or four African Americans in the audience. On many occasions, I am the only minority. Early in the life of the Commission, names of organizations such as the NAACP and the Urban League were given to the Office of State Planning to contact for the purpose of locating African-American participants. This was done and, I do believe, in all sincerity. However, as I look back and witness the lack of participation, it was not enough.

#### Setting Planning Priorities

Because African Americans have not been active participants in the planning process at the local or the State level, planners are unaware of or are inclined to ignore their needs. When African Americans do come forward, their comments often are not directly related to the State Plan and therefore are not considered significant.

Here is an example. Soon after the State Planning Commission and the Office of State Planning were organized, an informational meeting was held on the Rutgers University campus in Newark. There were more African Americans at that one meeting than the total number that have shown up at all other public meetings. Five staff members, one other commissioner and I were present. The people in attendance did not talk about state planning per se. They talked about the problems that they were dealing with on a daily basis: construction of "affordable housing" that they could not afford; the Newark Housing Authority demolishing apartment houses; the political atmosphere that

allowed city tax dollars to be spent on items that were of no value to them; and the homeless. Without realizing it, their discussion focuses on the ill effects of previous planning.

Some will say that this is not "planning." Planning is deciding in advance what to do in the future: how to save the environment, where to place roads and infrastructure and how to save open space. But these people were talking about planning after the fact and, as is the case 95 percent of the time, planning that was done for and not with the African-American Community. Newark is not an isolated case. You can call a meeting in any African-American community, urban or suburban, and you will hear the same voices and concerns.

The other commissioner in attendance thought that it was a "so-so" meeting but saw no real value in it. The record will show only that the State Planning Commission had a public meeting in Newark. This attitude affects all of us and must be faced and conquered if we want to eliminate the negative impacts of planning that were discussed that day. It will take effort and commitment, but the only way to change the prevailing attitude is to bring minorities into active and energetic participation in the process.

### Developing a Solution

What is needed is a network of African-American organizations that will assist in developing strategies to meet immediate and long-term housing, employment and social needs. Such strategies would reject white and African-American paternalism and begin the long overdue journey of drawing African Americans into the planning process. The African-American community then will become the source of solutions to the myriad and deeply rooted problems that plague our urban centers.

The Planning Commission, through the Office of State Planning, can and should take a proactive role in establishing such a network. The staff can begin by calling a meeting of African Americans involved in planning as professionals and volunteers,

representatives of African American organizations throughout the State, community organizers and government officials. It will be necessary to write, call and promote the attendance of those key individuals who can be effective in attracting others. This is a familiar activity for the Office of State Planning, since they have organized five advisory committees to assist in the creation of the State Plan. Development of the network can follow this successful pattern.

The purpose of the initial meeting would be to stimulate interest in the State Plan and to attain the commitment of the participants to begin involving African Americans in the development and implementation of the Plan. From this point, the core group of active participants which emerges from this meeting will begin a systematic process of outreach to the African-American community. The Office of State Planning should continue to host these meetings and act as staff when necessary, but gradually the responsibility will fall more to the members.

Some possible initial activities of the network to increase participation:

Hold regular meetings in a northern, central and southern location. Ask various African-American organizations to attend and sponsor these meetings.

Present educational forums about the State Plan. Bring in county and local planning officials to speak. Encourage questions and suggestions at all meetings and follow up whenever possible on these suggestions with action.

Identify organizations which, with encouragement and guidance, will take a leadership role in providing continuous input into the development of the Plan.

It is important to begin now with the opportunity to comment and negotiate about the proposed Plan. However, the significance of the network extends well beyond this

specific issue. Its overriding goal should be to reach out and expand the vision of African Americans. It should focus on planning as a way to conduct an analysis of solutions for the future. It is a major task in today's society to use critical analysis to refine and reformulate our capabilities for action by identifying those causal links which may not be readily apparent to the layman. For in the long run, if African Americans are to use planning as a tool to taking better control of their lives, they must accept the discipline of critical thinking and must be willing to sacrifice time to make the positive changes that are necessary to improve their lives.

## WHOSE PLAN IS IT ANYWAY?

By

C. Roy Epps and Denise Moody-Lane

### Introduction

The Preliminary State Development and Redevelopment Plan for the State of New Jersey (more oftentimes referred to as "The Plan") is a three-volume written recommendation on how New Jersey will look over the next twenty (20) years. The Plan is an attempt to provide a framework for land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and inter-governmental coordination.

The Plan has many components, all of which can have an adverse impact on the statewide African-American community if it is not guided during this development process. Although the preliminary framework of The Plan has been completed, the specific local and regional elements remain to be finalized.

History has shown that planning has always been used to facilitate and benefit the most powerful segments of our society at the expense of those less fortunate. This is because this segment of society has the time and associated resources to facilitate the implementation process of any established plan. Lower income African Americans and other minorities generally have been placed in the position of reacting to plans generated outside their communities, which in most cases jeopardizes their stability in our society. The Plan could be viewed with similar suspicion, except there is still some limited time to become involved in the planning process and protect the interest of low income African Americans and other urban dwellers. Outlined below are the basic elements of The Plan

## Structure of the Plan

The Plan has five (5) components. The first component is called a "Tier System." There are seven (7) tiers included in the New Jersey growth management system. The tiers are as follows:

Tier One - is comprised of the most distressed cities and suburbs.

Tier Two - includes the less distressed communities and surrounding established, but growing, suburbs.

Tier Three - includes the more isolated towns in suburban and rural areas.

Tier Four - consists of new suburban areas.

Tier Five - includes areas that lack basic public services.

Tier Six - includes the best agricultural land in the State.

Tier Seven - consists of undeveloped areas with irreplaceable natural resources

The second component of The Plan is called a "Regional Design System." This design system claims to be one that will put communities into regional groupings based upon the intensity of future development as proposed in The Plan. Within this design system is a scale referred to as the 'hierarchy of central places.' The scale of development includes the following central places:

Hamlets -- small clusters of homes located at a crossroad.

Villages -- a small community offering a choice of housing types, employment, basic services and shopping.

Corridor Center -- larger new communities located along a major transportation corridor, inclusive of employment centers, housing, shopping, services and recreation facilities.

Towns -- existing Tier Three communities.

Cities -- distressed areas such as Newark, Trenton and Camden.

The third component of The Plan is referred to as 'Statewide Strategies and Policies.' Specific policies are generated relative to identified major areas of concern. These areas include comprehensive planning, capital facilities financing and development, economic development, housing, natural and cultural resources, transportation and areas of critical state concern.<sup>1</sup>

The fourth component of The Plan is a 'Monitoring and Evaluation System.' With economic, environmental and other conditions that continually change in our State, there must be an ongoing monitoring process in place to evaluate progress toward stated goals.

The fifth and final component of The Plan is the 'Cross-Acceptance Process.' Cross acceptance is specifically defined as "...a process of comparison of planning policies among governmental levels with the purpose of attaining compatibility between local, county and State plans. The process is designed to result in a written statement specifying areas of agreement or disagreement and areas requiring modification by parties to the cross acceptance."<sup>2</sup> This is the level at which individual municipalities can have significant input

Once the comparison phase of cross acceptance is completed, the next phase is "Negotiation." After counties have submitted written reports with any municipal dissents, the State Planning Commission will review and make appropriate changes to the Preliminary Plan. If there are disagreements with county or municipal recommendations, the Commission will negotiate with appropriate parties in an attempt to reconcile these differences.

Following negotiation is the "Issue Resolution Phase," after which will come the adoption of The Plan. Every three (3) years following adoption, the Commission must review and revise The Plan through another cycle of cross acceptance.

### Problems in the Planning Process

In August of 1989 the Civic League of Greater New Brunswick, Inc., began an active public education campaign for African Americans and urban communities on the Preliminary State Development and Redevelopment Plan. There has been ongoing representation of the Civic League at various meetings of the State Planning Commission, its many sub-committees and county meetings at which time Cross-Acceptance Reports have been presented. Throughout these efforts, it has become quite clear that minority representation within this process has been minimal. As well, it has become apparent that far too little thought has been given to the affordable housing crisis that continues to run rampant in New Jersey. Another disturbing fact has been the lack of information about The Plan distributed to African Americans and throughout urban communities.

New Jersey, with 21 counties and a 1985 estimated population of over 7.5 million, is a State of extremes.<sup>7</sup> Demographic analyses indicate that New Jersey is the second ranking State in per capita income and yet several New Jersey cities are among the poorest in the nation. African Americans and Hispanics constitute 19.1% of the State's total population. This segment of the population is disproportionately concentrated in New

Jersey's urban areas. More than 32.6% of the State's African Americans and 36.2% of the Hispanics are characterized as poor. Negative national trends for income, unemployment and unsuitable housing conditions for the minority population are starkly reflected in New Jersey's urban areas.<sup>4</sup> Clearly these statistics demonstrate that African Americans and urban communities are greatly affected by changes proposed in The Plan.

African Americans and urban communities must be assured that availability of affordable housing is a major issue in The Preliminary Plan. To what extent will a diversified residential population be achieved at the risk of greater homelessness, gentrification and displacement? If the urban areas are redeveloped, what impact will this have on property taxes and necessary infrastructure? Will affordable housing be available in urban areas where employment opportunities exist? If not, how will public transportation facilitate such changes? And the list of relevant questions goes on.

The current composition of the State Planning Commission includes two African Americans. There is under representation on the Commission of members who would protect the interest of those residing in urban communities. Terms of office will be ending for several commissioners shortly and a plan to advocate for broader urban representation must be outlined.

The Office of State Planning (OSP) publishes a monthly newsletter. While the OSP claims to have a mailing list of over 3,400, these newsletters do not reach the people in urban cities who ultimately will be affected by proposed major growth and development as outlined in The Plan. Even if there was a major distribution of the newsletter

throughout these communities, the level of comprehension of such would be low. The language used in the articles is very technical and, specifically, geared to an audience of planners and other professionals familiar with such terminology.

### Community Reactions to the Plan

Several organizations have presented written responses to the State Plan. New Jersey Future, in its recent report, The Cities' Stake in a State Plan: An Urban Agenda for the 1990's, recommends a broader based membership on the State Planning Commission. It also recommends that the State should convene a roundtable conference on urban housing with nonprofit and private developers, banks, renters, buyers and legislators. The proposed conference would focus on problems, promising programs, and develop an agenda on how to make affordable housing more available.

In a report published by the South Jersey Land Plan Coalition, it is noted that "The Plan's incentives to induce the development of low and moderate-income housing appear to be inadequate, particularly where they call upon the urban municipalities themselves to provide the incentives."

In a letter sent to the Executive Director of the New Jersey State Planning Commission, the Civic League's President states, "Housing advocates throughout the State should be solicited for input on how The Plan will affect the current scarcity of affordable housing and the plight of the homeless in New Jersey."

At the 1989 New Jersey State Conference of the NAACP, a resolution on the New Jersey State Development and Redevelopment Plan was presented and approved. Within the text, it was noted that the commission should consider broader representation on its subcommittees to allow for input from urban constituents. (See appendix)

While references have been made to the relationship between the Council on Affordable Housing (COAH) and the State Development and Redevelopment Plan, there are no guarantees that after 1993 COAH housing allocations will remain consistent with the goals and objectives of the State Plan or the State Supreme Court's Mount Laurel decisions. Regional Contribution Agreements (RCAs) are clearly not the answer to available affordable housing. RCAs only move the responsibility from one community to another and usurp the intent of the Mt. Laurel decision to increase opportunities for low-income group members in communities which had, heretofore, little if any representation of this population.

It is necessary to continue to monitor this process and have adequate representation on various committees as well as on the commission for African Americans and urban communities. Meetings of the commission and its sub-committees are many and scheduled all over the State. While a toll-free number exists at the Office of State Planning for meeting information, there is little encouragement of minority, community-based, and/or non-profit organizations to participate in the process. The Plan will not only affect recipients of services but also providers, should there be any shift in the location of the recipient population. If there are no affordable places to live in urban cities, there will be

a drastic change in the type of services required of organizations currently based in urban cities.

### Conclusions

While the New Jersey Chapters of NAACP and the New Jersey Council of Urban Leagues have taken a position with regard to The Plan, there remain many other entities throughout the State that need to be properly advised. There are tenants organizations, social clubs, housing advocates, and African-American legislators that need to be included. And we must not forget our churches. Perhaps literature about the State Plan can be distributed at this level as well.

There is much that remains to be done and many who need to have a clearer understanding of The Plan. We cannot depend on others to represent our best interest. We must collectively represent our own interests. Who knows better than we our own needs and issues.

While the process has been in place since 1986, opportunities to become involved and knowledgeable remain. All meetings of the State Planning Commission are open to the public. Most meetings have a public comment section on the agenda. We must actively participate in activities that will eventually affect the quality of life for African Americans and urban communities. We must make an attempt to spread the word and share the information we collect from these meetings. We must begin to be proactive instead of reactive.

## APPENDIX

### RESOLUTION ON NEW JERSEY STATE DEVELOPMENT AND REDEVELOPMENT

#### PLAN

Submitted by the New Brunswick Area Branch NAACP

WHEREAS, the Preliminary State Development and Redevelopment Plan of the State of New Jersey has a negative impact on affordable housing efforts in New Jersey, and

WHEREAS, victories achieved through the State Supreme Court's Mount Laurel decisions are threatened by this planning initiative, and

WHEREAS, there is little evidence that current urban dwellers are considered in this document, and

WHEREAS, possible shifts in population, particularly low and moderate income individuals, will greatly affect the availability and quality of service to those who are most in need, and

WHEREAS, this restrictive development process could only increase the possibilities of gentrification of lower income groups because urban areas are targeted for redevelopment,

THEREFORE, BE IT RESOLVED that the Commission should consider broader representation on its negotiation sub-committee and other sub-committees which would allow input from the urban constituents.

BE IT FURTHER RESOLVED that housing advocates throughout the state should be solicited by the Commission for input on how the Plan will affect the current scarcity of affordable housing and the plight of the homeless in New Jersey.

We recommend that each NAACP Branch in the State of New Jersey review and monitor the state planning process in their area and become actively involved in ensuring that the rights of our constituents are protected.

September 30, 1989

## Notes

1. Coordinating with existing regional planning agencies, particularly the Pinelands Commission, the Hackensack/Meadowlands Commission, and the Coastal Area Facilities Review Act (CAFRA).
2. The Preliminary State Development and Redevelopment Plan for the State of New Jersey Communities of Place. Volume I, page 26.
3. Population and Census, State of New Jersey, Office of Demographic Economic Analysis, Division of Planning and Research, Department of Labor, No. 31 - October 1983.
4. Richard Roper, The Isolation of Seven New Jersey Cities A Demographic Profile, Council on New Jersey Affairs, Princeton University; Princeton, NJ
5. The Cities Stake in a State Plan. An Urban Agenda for the 1990's. New Jersey Future 1990, p 34.
6. The Shortcomings and Shortfalls of Urban Area Policies, South Jersey Land Plan Coalition, December, 1989.
7. Letter to John W Ephling, Executive Director, New Jersey State Planning Commission September 19, 1989.

# THE CROSS-ACCEPTANCE PROCESS

By

Helen Yeldell

## Introduction

The Cross-Acceptance Process was conceived as a very vital component of The Preliminary State Development and Redevelopment Plan. It is an endeavor never before undertaken and, as with anything that seeks to change the status quo, has been met with a myriad of reactions. Cross acceptance is an opportunity for three levels of government (state, county and municipal) to note, compare and plan together for a common future that addresses the quality of life in New Jersey. The challenge to sustain and improve this quality of life is seen through a need for planned and balanced growth management.

There are three phases that make up the Cross-Acceptance Process. Phase one is called the comparison phase, because counties and municipalities compare their master plans with the Preliminary State Plan. During this phase, the dialogue that occurs is centered around identifying problems and differences. The goal of this phase is a written report from each of the twenty-one counties indicating how these issues may or may not be resolved.<sup>1</sup>

The submitted reports generate the data which initiated the second part of cross acceptance, the negotiation phase. The negotiation phase begins when issues pertaining to growth or no-growth are brought to the table where they will be discussed and reconciled to achieve an acceptable degree of compatibility. This is also an opportunity for municipalities that dissented from their county report to air their grievances.<sup>2</sup> At the end of this phase, the State Planning Commission will prepare an interim plan and an assessment study of the Plan's impact. The issue resolution phase is reached when there is consensus among the parties involved regarding the issues identified during negotiation and public hearings are scheduled.<sup>3</sup>

## Unplanned Growth and Its Relationship to African Americans

A large proportion in the African-American community, and particularly in the urban areas, do not relate the terms "quality of life" and "planned growth." Many can see no connection between those terms and their daily living patterns. The effect of unplanned growth on the quality of life in the African-American community is quite obvious. One needs only to look at any decaying urban area today.

Once when cities were the mecca of employment opportunities, not much thought was given to a price that would inevitably come due. There was work for those commuting from the outlying areas, as well as for those whose employment location and place of residence were the same. However, the services provided by the employment location (such as infrastructure, especially sewers, roads etc.) were under constant strain and began to show age and signs of neglect.

Confronted with these declining public services, and coupled with other intervening factors, such as a rising crime rate, lack of suitable housing, etc., the business world decided to look for expansion opportunities in areas not faced with the problems associated with urban areas. Once-booming urban centers, now faced with drained services and loss of jobs to other more "suitable" growth areas, experienced a drastic decrease in the quality of life once enjoyed by many in these communities.

## Addressing the Urban Issue - Cause for Fear

A major goal of the State Plan is to foster revitalization of the urban areas and direct the bulk of new growth to the cities. The rationale is that the cities have the infrastructure in place to support a high level of growth. The suburban areas have suffered from sprawl development and many feel that their quality of life is on the downturn. Expanded job growth did not come without some side affects. Among those side effects are major problems with traffic congestion, increasingly diminished open space, threats to

farmland and impairment to wildlife preserves. These results of an unbalanced growth trend now clearly call for a more balanced approach to planning

The need for a thoughtful, paced growth policy is apparent, but questions arise as to the impact of such a policy on the people of the State. Specifically, since the majority of the African-American population is concentrated in urban areas, their lives will be immensely affected by the impact of a growth or no-growth policy. It is of the essence that African Americans not be left out of this planning process for growth management as there is much at stake. The manner in which a growth policy treats the related issues of housing, jobs, schools and redevelopment are of vital importance

African Americans must become more involved in the process, in order to become a part of the dialogue. The leadership from the African-American communities has been absent at various meetings held by the State Planning Commission, and its subcommittees on Intergovernmental Relations and Plan Development. It is through these two subcommittees that the initial stages of cross acceptance are conducted. Groundwork is being prepared for policy formulations that will affect the quality of life of everyone in the State. Input, through comments and discussions, is crucial to the Plan's evolution.

The vast majority of African Americans are not informed about a State Plan and, indeed, they are not aware that a Cross-Acceptance Process is occurring. This is where African-Americans leaders in the various municipalities can play a vital role.

At the outset of the Cross-Acceptance Process, it was difficult to get municipal involvement. The process was met with a certain amount of uneasiness and skepticism. Despite numerous attempts at informing municipalities about the process and clarifying many myths and misinformation, many of these jurisdictions hold fast to their belief that the entire process is too intrusive and plain unworkable

The concerns raised by many urban municipalities are quite understandable. They have very special needs, with priorities different than those of the State Plan. Their concerns cover a wide spectrum of fighting crime, drugs, lack of employment opportunities, lack of affordable housing, dwindling ratables and high taxes. These issues demand an

inordinate amount of time and hard work. In addition, according to its geographic location, some urban municipalities also raise the concern that the very nature of the Plan is not applicable to them because of a lack of land with development potential. Thus it was felt that the Plan was designed to address the concerns of the outlying areas, mainly rural and suburban.

Looking at the above concerns, one can readily conclude that, for African Americans, the State Plan will add to their list of concerns and become a cause for fear. African Americans must know if the implementation of the policies and strategies of the State Plan will result in the involuntary out-migration of urban residents. Is the "Communities of Place" concept, touted throughout the Plan, a cause for fear? Will it become a gentrifying agent to the extent that African Americans will have ever-increasing difficulties trying to fit into this new scheme of things, due to a lack of meaningful employment or being unable to afford the futuristic "affordable housing?" Will the 'Communities of Place' concept be made flexible enough to attract a mix of population and culture?

The overriding issue of the Cross-Acceptance Process is the dialogue relating to physical infrastructure, for it is a major determinant of development and revitalization. However, it is not only the physical infrastructure the Plan must address, but discussion must also center on the impact of the Plan on the social infrastructure needs of an area.

Care must be taken so that the Plan does not evolve into a people-versus-places dilemma. At many cross-acceptance meetings, "place-oriented issues" always dominated discussions. Witness the State agencies that comprise the committees of the State Planning Commission. Albeit, the presence and input of these agencies are extremely important because of the nature of the Plan -- to foster a growth management system. Nonetheless, the statewide objective calls for "intergovernmental coordination" among all agencies to "use the Plan as a guide for agency planning and decision-making."<sup>4</sup> This can be taken to mean all State agencies. Hence these agencies should be full participants during the formulation stage. What is lacking are those agencies that can contribute to the dialogue

by bringing to the fore "people-oriented issues."

The importance of making people, neighborhood and community the central themes must not be lost in the continuing dialogue surrounding sewer areas, roads, water mains, etc.

#### Window of Opportunity?

Rather than dwell on the fears that such a new and different undertaking may bring, it is my hope that the opportunities will be seen and the chance to help shape growth decisions will be seized. Urban areas are primed to accept and absorb this new growth so pertinent to its re-emergence as a viable entity.

For African Americans, the planning process could be seen in a positive light in that it will be the driving force to revitalize urban areas. This will translate into many benefits, among which would be jobs, owing to industrial and employment growth. The fears that do exist must be put aside in order to take full advantage of this window of opportunity.

A few large cities have faced the challenge and have begun their renaissance. Involvement in the planning process can further enhance this rebirth. Valuable insight and input from resourceful leaders in these cities can be brought to the table.

#### Public Participation

The opportunity for public participation is a structural feature of the State Planning process. During cross acceptance, meetings are held all over the State to ensure access to discussions. Written as well as verbal comments are encouraged. Time is allocated to the public and various interest groups to voice comments and concerns at meetings held by the subcommittees on Intergovernmental Relations and Plan Development. The process also allows for the formation of advisory committees to augment this participation.

There is ample opportunity for input from the public. Many of the public comments are from well informed special interest groups, serving in a monitoring capacity as the Plan evolves. They do not miss a chance to make their concerns known. Does this opportunity extend to members of the African-American community?

Many African Americans do not know that a Cross-Acceptance Process is taking place. Many still would not know how to become involved. The involvement of interested community leaders is of the utmost importance. Participation in the process would afford the opportunity to articulate issues of concern to the African-American community. Grassroots organizations provide the perfect forum through which information can be brought back to the community. Grassroots organizations can serve the purpose of educating the community about the meaning, intent and impact of the Plan on living patterns.

Grassroots educational campaigns and community support are needed to sell the Plan. The possibility exists that mobilization at this level can result in added strength that might aid in moving the Plan toward a legislative path.

The initial criticisms of the Cross-Acceptance Process centered along the lines of fear and misperceptions. After many months, the fears have been expelled to a large degree; the misperceptions have been clarified. The thinking has changed in that the intergovernmental relations have been improved at least to the point that there is shared goal about many of the issues. The dialogue is still expanding and it is never too late to get involved.

Strategic planning and balance can address the issues that so affect everyone in the State. No community is so self contained that it can insulate itself from occurrences in other parts of the State. If anything, the Cross-Acceptance Process has shown what many wish to continue to deny - the interdependence of urban, suburban and rural communities. African Americans have as much to say about a planning process that will impact their lives as anyone else. In addition to diligent monitoring of the process, providing input and being at the table do much to assure the concerns of African Americans are not being

overlooked

The first phase of the Cross Acceptance Process is drawing to a close. It is disadvantageous to have not been a part of the process thus far. If not a Plan, then what?

### Notes

1. The Preliminary State Development and Redevelopment Plan; Cross-Acceptance, Intergovernmental Cooperation in Plan Preparation. (Vol. 1. November 1988); p.26-27.
2. Ibid
3. Ibid
4. Ibid.

# THE NEW JERSEY STATE PLAN: THE NEED FOR COMMUNITY INVOLVEMENT

By

Roberta A. Moseley

## Introduction

The New Jersey Preliminary State Development and Redevelopment Plan calls for a coordinated growth management approach. State, county and municipal government departments are expected to communicate, cooperate and better direct their responsibilities and efforts in order to maintain New Jersey's economic competitiveness, and to meet the needs of the state's diverse population.

In establishing a State Planning Commission, the legislature found that,

Since the overwhelming majority of New Jersey land use planning and development review occurs at the local level, it is important to provide local governments in this State with the technical resources and guidance necessary to assist them in developing land use plans and procedures which are based on sound planning information and practice, and to facilitate the development of local plans which are consistent with state plans and programs, (and) an increasing concentration of the poor and minorities in older urban areas jeopardizes the future well-being of this State, and a sound and comprehensive planning process will facilitate the provision of equal social and economic opportunity so that all of New Jersey's citizens can benefit from growth, development and redevelopment.<sup>1</sup>

One of the eight statewide goals is to 'revitalize the state's urban areas.' The objective being, "to attract employment back into distressed urban and suburban communities sufficient to reverse the tide of outmigration of jobs and population and to restore and maintain a high quality of public services."<sup>2</sup>

The State Planning Act provided for a 'Cross-Acceptance Process that allowed a comparison of planning policies among governmental levels with the purpose of attaining compatibility between local, county and State Plans." The legislation also provided that the various plans be subjected to public informational meetings. Interested parties, as well as public officials would have the opportunity to make comments and recommendations.

### Community Planning

The coordinated growth management approach suggested by the New Jersey Plan calls for planners to work together. Historically, New Jersey municipalities, through planning commissions, zoning boards, etc., have had primary planning responsibility. The municipality developed according to the abilities and special concerns (land use, environment, housing design, tax ratables, etc.) of these planners. Unless something directly affected a group of citizens, most people were inclined to let the appointed and elected officials carry out the planning process. The maintenance or improvement in the quality of life within their neighborhood, municipality, county or state rested in the hands of those who sought public office, or who chose public employment as a career.

In the last few years, more citizen groups have become involved in the planning process. For the most part, however, it appears they are more interested in what they do not want (in their back yard). Therefore, it becomes imperative that community leaders and residents be involved in the planning process as early as possible in order to avoid some of the conflicts that have arisen due to a lack of understanding, a limited investigation of options, or poor communications.

Involving community groups requires more cooperation, coordination and networking than "normal" for community planners. The process takes more time because the participants need to have a similar foundation of knowledge. They need to have mutual goals for the community, and understand the wider implications of their actions.

Several reasons offered by municipal planners for not involving community leaders and residents in the planning process have included: time restrictions - the response time to a county or state plan is limited, and therefore, must be restricted to input from key staff members; lack of identifiable ethnic and culturally diverse leaders; political considerations - a decision may be unpopular so it is best not to draw attention to it by involving more people; and, understaffed municipal offices cannot coordinate and do the follow-up necessary to organize community meetings.

### Community Development

The New Jersey State Plan involves the geographic and functional division of the state into seven 'tiers.' Tier One, Redeveloping Cities and Suburbs, should be of prime concern to the New Jersey African-American community, for it is within this tier that large portions of the African American population resides. The New Jersey State Plan notes that '16 municipalities have been identified as 'Urban Centers,' requiring special attention in light of their character, size and degree of distress.'<sup>4</sup> The 16 municipalities meeting specific criteria and appearing on the New Jersey Office of Management and Budget's Distress List are:

1. Camden	9. Perth Amboy
2. Newark	10. New Brunswick
3. Jersey City	11. Asbury Park
4. Trenton	12. East Orange
5. Paterson	13. Plainfield
6. Union City	14. Atlantic City
7. Passaic City	15. Woodbury
8. Elizabeth	16. Long Branch

The six critical issues common to them include 1) an eroded economy, 2) exodus of the middle class; 3) fiscal distress; 4) a deteriorating physical plant; 5) a negative image; and 6) lack of planning capability.

The loss of jobs and population (and taxes) from the cities to the suburbs has been devastating. The cost of maintaining the physical environment, infrastructure and the level of public services must be increasingly borne by a population less able to pay for them. Less obvious, but still devastating, has been the loss of the cities' prestige and power in the political arena. According to John Herbers, who covered urban affairs for the New York Times for 24 years, "Back in the '60s and '70s, cities had enough votes in Congress and their state legislatures to get assistance. Now the margin of votes has swung to people who live outside of the cities...."<sup>6</sup>

If the cities are to be revitalized, then more citizens will have to become involved. Vocal, action oriented people now reside in the suburbs, and they will be seeking government dollars to provide the services they left behind --- mass transportation, roads, sewers, police and fire protection, etc. City dwellers will have to discard the role of passive victims to changing times, and accept responsibility of self-determination.

### Specific Urban Policies

The New Jersey State Plan offers several strategies for Tier One to overcome a number of public problems, among them:

- 1) Policy 3.9 Economic Redevelopment. Neighborhood Targeting -- in which municipalities should designate neighborhood strategy areas and target economic redevelopment through financial and technical assistance to those neighborhoods.<sup>7</sup>
- 2) Policy 3.10 Economic Redevelopment: Local Development Corporations - - in which a policy is devised to maximize the use of local and neighborhood development corporations as a means of attracting funding from public and private sources for economic redevelopment activities.<sup>8</sup>
- 3) Policy 4.10 Housing Redevelopment: Community Development -- in which a strategy is developed which targets housing programs to designated neighborhoods and weaves these policies with community services, economic development and job training, education and public safety efforts.<sup>9</sup>

4) Policy 4.11 Housing Redevelopment. Redevelopment Without Displacement -- in which municipalities engaged in redevelopment should make reasonable efforts to minimize displacement effects which may be attributed to those redevelopment activities whether publicly or privately funded<sup>9</sup>

5) Policy 6.4 Human Development. Employment Training -in which a full array of employment and training services, including adult remedial basic education, job training and job search programs, are provided<sup>10</sup>

### Summary

It is easier for planners to develop recommendations to correct tangible problems within a city. Streets can be repaved, transportation systems upgraded and housing renovated. A harder task for the planners to accomplish is the task of helping city dwellers achieve a better quality of life.

John Herbers contends that if 'you walk a few blocks away from the nice buildings.. you see the drugs, the crime and all that flows from lack of wealth.' According to Norman Krumholz, Cleveland's Planning Director from 1969 to 1979, '.. almost no city is paying the proper attention to the needs of its resident population. There's no attempt to connect the downtown development with the neighborhoods, which are typically under-invested and disinvested.'<sup>11</sup>

Municipal planners and community groups need to be concerned about the city residents' ability to participate in the revitalization of their town. Citizens will be more motivated to succeed if they have a feeling of power --- if they feel they have the ability to change their current situation. Municipal planners must seek ways to include ethnic and culturally diverse opinions in the planning process.

## Notes

1. N.J.S.A. 52:18A - 196(f)(g).
2. The New Jersey State Planning Commission, Communities of Place, The Preliminary State Development and Redevelopment Plan for the State of New Jersey, vol. I, (November 1988), 18.
3. N.J.S.A. 52:18A - 202(b).
4. Ibid., (2), vol. II, 51.
5. Dan Gordon, 'The Future of American Cities,' The Crisis, 98 (May 1990): 12.
6. Ibid., (2), vol. III, 3-35.
7. Ibid., 3-36
8. Ibid., 3-46.
9. Ibid., 3-47.
10. Ibid., 3-58.
11. Ibid., (5), 11.

# NEIGHBORHOOD DEVELOPMENT AND THE ROLE OF THE NEIGHBORHOOD

By

Mark L. Quinn

## Introduction

In January 1989, Volume III of The Preliminary State Development and Redevelopment Plan for the State of New Jersey was released. This massive document was prepared for the purpose of soliciting comments and direction from the residents of the State of New Jersey as to how the State will grow and develop in the coming years.

The process of review, commonly referred to as the Cross-Acceptance Process, places a major emphasis on the county planning departments to obtain comments, incorporate these comments into their own development plans, and in turn feed their plans into the State Plan. The magnitude of this noble project gives rise to debates as to the effectiveness and feasibility of such a process. However, notwithstanding its shortcomings, the process provides an avenue for input by the public. Among those who traditionally are either excluded or taken for granted during this process are residents of distressed communities, particularly in the urban areas of the State. These municipalities are labeled as Tier One municipalities in the State Plan.

## Involving The Neighborhood

In many instances, specific guidelines have not yet been drafted, thus providing an opportunity for interested parties to express their opinion and, at a minimum, influence the Plan. It is in this stage that neighborhood residents of Tier One municipalities could have had their greatest potential impact. One vehicle with which their input may have been conveyed is neighborhood-based groups. One type of neighborhood-based organization in

particular is potentially effective as a communication vehicle because it is comprised, in its pure sense, of a broad based constituency in a localized area.

This type of organization is a neighborhood development corporation (NDC), an organization consisting of neighborhood residents for the stabilization, development, or redevelopment of the neighborhood. Unlike many neighborhood-based organizations, the NDC is established on a for-profit basis and is involved exclusively in non-residential developments. This concept was introduced in New Jersey by Governor Kean in his 1987 State of the State Address. Traditionally, these types of organizations were non-profit and were concerned almost exclusively in housing.

The distinction in the legal structure is significant. A non-profit corporation is one which operates for the purpose of providing a service or a product; the notion of earning a profit is non-existent. Usually, it earns revenues and/or solicits contributions which are sufficient to meet its annual operating budget. The more progressive non-profits manage themselves with an eye toward the future and maintain reserves and acquire assets which appreciate in value. These organizations achieve a level of self sufficiency.

A major benefit of a non-profit corporation is that it is not subject to taxation on its income, so long as its income is earned as a result of activities related to its purpose for originally incorporating.

Non-profit corporations have Boards of Directors which are usually comprised of major supporters and contributors. Often times, these are officers and employees of corporations. This structure has yielded many significant accomplishments and has been proven effective in addressing urban problems.

For-profit corporations operate similarly to non-profit corporations in many ways. However, there are some very important differences. The most important difference is that income is subject to taxation by the State and the Federal government. This one difference may be perceived as negative by many. However, there are also more positive differences. These include the possibility of owners (shareholders) earning a profit and having direct input into the operation and management of the corporation.

## Neighborhood Development Corporations

These latter two facts are key to the NDC concept. An NDC provides a means to the neighborhood resident (shareholder) to participate economically in the redevelopment of the neighborhood. It may also foster a sense of community pride, and indirectly combat gentrification of the neighborhood.

The premise of the NDC lies in the belief that a neighborhood is valuable and worth saving. This notion has been proven in numerous areas across the country where, over the course of ten to fifteen years, low-income, minority residents have been displaced in the wake of urban development which imposed values on property which were beyond the means of the residents. If those residents participate in the urban development as owners of the real estate (via NDCs), they will directly benefit from the increased value of the properties, economically and otherwise.

NDCs are mentioned in the State Plan. However, their significance is not emphasized. They are a potentially powerful structure which provides economic power, and therefore political power, to the neighborhood residents. Real estate is an asset which is limited in quantity and, thus, generally tends to appreciate in value. Developers of real estate, those who own and control this asset, often wield a disproportionate amount of political power. Many times, some of the most influential individuals in the largest, most distressed municipalities in the State are not residents of the municipality, but are owners of many real estate properties. The relationship between real estate ownership and political power is clear and should be capitalized upon by the residents of these cities. The NDC is but one vehicle which is available. It should be given strong consideration as the vehicle with which to implement the State Plan on the neighborhood level with respect to economic development and housing.

From the perspective of the neighborhood resident (as the NDC owner), the NDC offers the ideal vehicle with which to implement a number of the initiatives described in the State Plan.

## Land Planning and Redevelopment

### Policy 1.3: Land Banking

NDCs are viable organizations to accumulate real estate for future development. The local orientation of the NDC is well suited to be the most responsive organization to the needs and best interests of the local population.

## Economic Development

### Policy 3.9: Neighborhood Targetting

NDCs can be appropriate and integral participants in the process of designating neighborhood strategy areas. Their grass roots orientation may provide the most effective avenue for delivering financial and technical assistance to targetted areas.

### Policy 3.10: Local Development Corporations

This policy contains a specific reference to NDCs. Implementation of this policy requires a strong commitment from the administration for it to be effective.

## Extending the Role of NDCs

These three policies have a direct bearing on economic development in Tier One areas, but are by no means comprehensive with respect to the role NDCs can play in implementing the State Plan. NDCs can play a major role in housing redevelopment and can form a bridge between housing and economic development. This occurs when one views the NDC as an ongoing business enterprise which hires employees. Also, to the extent that the NDC creates commercial and industrial space, it is aiding in providing the unemployed with a means to earn a wage and eventually purchase a home, as opposed to renting with a constant reliance on subsidies. The NDC also generates tax revenues via

income and property taxes. With respect to property taxes, the NDC itself may qualify for tax abatements which are often provided to larger, more traditional developers. Thus, by recognizing the operation of the system, grass roots groups may participate to their benefit.

### How NDCs Work

It is important that NDCs view themselves as legitimate "players" who belong in the economic and political arena, and are not intimidated by being there. This fundamental attitude must come from their leadership.

The NDC should define and undertake its mission using sound business planning skills. It should always be viewed by its organizers and owners as a viable business enterprise with an indefinite life. It should seek to make a fair profit while simultaneously implementing its social agenda. The probability of accomplishing this goal is determined by conducting a feasibility study of the NDC's project.

The operating area in the short term is the neighborhood. This is a logical and convenient choice since it is home to many of the prospective owners. Also, the distressed state of many urban neighborhoods strongly suggests that the area is unwanted. In most instances, real estate values reflect the distressed state of the neighborhood by being very low, thus demanding relatively low acquisition prices. These areas are "diamonds in the rough," and often times they are viewed as such by "outside" developers/speculators.

Management and technical assistance to prospective NDCs are critical for their creation and success. Since an NDC is essentially nothing other than a new business, many of the government-subsidized, customary sources of this type of assistance are suitable for the NDC. These include: the Minority Business Development Centers funded by the U.S. Department of Commerce; the Small Business Development Centers, which are jointly funded by the U.S. Small Business Administration and the New Jersey Department of Commerce and Economic Development, and the Service Corps of Retired Executives, which is funded by the U.S. Small Business Administration. The New Jersey Urban

Development Corporation, which administers a program to aid in the creation of NDCs, is another source of assistance.

NDCs, which have an organization in place, may seek to form a joint venture with an experienced developer as a means of undertaking a project. The main advantage of this approach is that the NDC may benefit immediately from the expertise of developers in terms of completing a project, particularly in obtaining financing. The knowledge and experience to be gained may prove invaluable when the NDC undertakes its next project, perhaps alone. Given the experience in the joint venture, the NDC will appear more attractive to financing sources in future projects.

Financing the development of the project may be the most challenging aspect of undertaking an NDC project. As previously mentioned, undertaking the project as a joint venture with an experienced developer, who brings the ability to obtain financing, may be the most expeditious way to solve the problem.

The issues of technical assistance and financing are fundamental and should be addressed in the conceptual state of the NDC. The initial board members of the NDC should be selected from the perspective of what resources, either financial or other, may accompany them. Some professions which may serve an NDC will include an attorney, accountant, banker, real estate developer, and corporate executive. Such a board of directors brings credibility to the NDC, particularly in the eyes of government officials and the financial community.

### Conclusion

The creation of an NDC is indeed a challenging, formidable task, though not an impossible one. The fact that the State Plan refers to them legitimizes the NDC from the public policy perspective. The fact that the references to NDCs are cursory at best does them a disservice. Neighborhood-based organizations should seize upon the opportunity offered in the drafting of the State Plan to lobby for increased funding for the creation of

NDCs. Funding is needed for seed capital and management assistance. The NDC concept should be emphasized for its economic and urban development benefits.

The formation of NDCs is a potentially powerful means of undertaking urban redevelopment, which is responsive to the needs of the local residents. When undertaken in this way, economic development does not take the form of welfare to the rich, that is, providing substantial financial subsidies to developers as inducements to redevelop certain areas. Many times, these developers may not even need the subsidies they receive to undertake the developments. These subsidies would be well spent for the creation of viable neighborhood-based organizations, created for the purpose of redevelopment.

NDCs also would form the fabric of a response mechanism to the State Plan. Thus, it's apparent that the NDC is an idea whose time has arrived.

# ECONOMIC DEVELOPMENT: A STRATEGY FOR NEW JERSEY

By

Leland S. McGee

## Defining the Problems

The number and location of new jobs created is of major concern to the African-American community. African Americans, especially those that reside in urban areas, tend to have lower incomes and more frequent spells of unemployment than their white, non-urban counterparts. Therefore, the effect of the State Plan on job growth is of major importance to the African-American community.

What are the major factors affecting job growth in urban areas? There are two components to the economic development of any city: 1) attraction of major corporations to cities which, in addition to providing jobs, provides a strong, stable tax base for the cities; and 2) support for small businesses which are regarded as a primary source of jobs. The challenges faced in developing these areas differ and will, therefore, be discussed separately. Although the challenges differ, there are overlaps and other policy issues, such as education, infrastructure, transportation and housing, that impact upon strategies for successful economic development.

## Attracting Jobs

The challenges faced in attracting major corporations to cities include adequate public services, a trained workforce, good schools and, increasingly, the cost of environmental cleanup (e.g., the Environmental Cleanup Responsibility Act -- ECRA). Other considerations include the cost of real estate, municipal taxes, and whether cities should provide tax incentives such as abatements. Each of these issues poses a different problem for urban governments.

Tax abatements, for example, are one of the incentives used to attract development. Tax abatements lower the costs of doing business for individual firms. Unfortunately, this results in reduced revenues for local governments that give tax abatements. Lowered revenues mean less ability to provide needed public services such as fire and police protection. Such public services are essential ingredients to a corporation's decision to locate in an area. Absent sufficient state aid, cities may be and have been unable to pay for a full complement of police and fire personnel.

### Education

The issue of sufficient revenue to cities affects several other pertinent areas as well. Recent litigation, focused on how education is funded in New Jersey, points out the relationship between the amount of money spent on education in urban versus non-urban areas, and the disparity in the quality of education between urban and non-urban cities. The statistics support the argument that those municipalities with higher tax bases spend more on education per pupil and they are producing more successful students.

Inadequate urban schools result in an unskilled workforce (currently most major corporations are unable to fill many low-level positions because the available workforce lacks minimum skills). It also results in a reluctance by some to live in urban areas and subject their children to sub-standard education. In turn, corporations located in urban areas become unattractive to skilled professionals with young families.

### Transportation

Transportation is a major factor contributing to economic development. As previously stated, movement within a city is important for those who reside and work within city limits. Access to amenities such as shopping centers, parks, cultural and recreational facilities as well as other businesses is important. In addition, transportation

to communities surrounding the cities is essential so that other people are able to travel readily from their place of residence to work.

Public transportation systems and adequate roadways become essential public services enhancing the attractiveness of urban development. An interesting dilemma is faced by cities in this regard --- how will transportation systems be financed and what will be the transportation priorities? Should the emphasis be on intra-city public transportation? Should the emphasis be on inter-city public transportation? Many of the unskilled jobs are currently not located in inner cities.

The unskilled labor force in urban areas needs public transportation to these jobs. Should public transportation priorities then focus on bringing the work force into the cities or on transporting city dwellers to exurban jobs? Highway transportation cannot be ignored and requires a great deal of infrastructure maintenance. Who will bear the costs? Certainly the urban municipal governments, currently suffering from inadequate state aid and small tax bases, have a major challenge in this regard.

### Housing

Housing and child-care become important to the issue of economic development as well. Is there adequate affordable housing available to employees? If not, will there be? The same questions can be asked regarding child care. The problem of adequate housing is affected by the cost of real estate, ECRA clean-up costs, the often cumbersome state regulations, the availability of vacant land for development and/or the availability of good housing stock for rehabilitation. In addition, insufficient subsidies to municipalities to allow for development of housing is a problem.

## Small Business Issues

Minority firms are a potentially important source of employment growth for African Americans. However, minority firms are disproportionately represented among the nation's small businesses. Therefore, if the State Plan is to encourage urban revitalization and employment growth in the African-American community, the stimulation and retention of small businesses would seem to be a useful policy tool. The challenges affecting small business development include many of those discussed above, but priority issues for small business development focus on financing and management skills training.

Nationally, 85% of new small businesses fail within three to five years. Generally, the most noted reasons for the failure of a business are undercapitalization (too little start-up or working funds), poor management, poor planning, and/or lack of understanding of the market. In New Jersey, there are approximately 15 state-run programs providing financial and/or technical assistance to small businesses. The "success" of these programs is largely speculative since they do not have mechanisms for evaluation. There is no coordination among the programs to ensure that the assistance provided to entrepreneurs is consistent, complementary and cumulative.<sup>1</sup>

Financial support for small businesses is problematic for several reasons. Working capital support is the single most difficult type of financing for a business to obtain. Generally, the banking industry does not make working capital loans because of the risks. Those state and private programs that do provide working capital loans require large amounts of collateral to secure the loan. This is a common practice despite the fact that the ability to operate a business successfully is in no way related to the amount of collateral that an entrepreneur possesses. Policies regarding the financing of businesses ignore the need to "ensure" the success of businesses. Policies geared toward providing both the technical assistance necessary to empower entrepreneurs to be successful and adequate financing are sorely needed by the small business community.

The importance of small businesses to our economy cannot be overstated. For example, 85% of the members of the Greater Newark Chamber of Commerce (the state's largest local chamber) are small businesses. It is also significant to note the national employment statistics for small businesses. Of the 10.5 million jobs created from 1980 to 1986, 63.5% were created by businesses with fewer than 500 employees.<sup>2</sup> From 1980 to 1986, companies with 100 to 1,000 employees hired 11% more workers.<sup>3</sup> Companies with 100 or less employees hired 11% more workers. However, companies with 1,000 or more employees hired 9% fewer workers.<sup>4</sup> In 1985, the number of jobs in small businesses rose 5.1% compared to 0.7% in larger businesses.<sup>5</sup> Of the 2.9 million corporations that existed in 1985, 97.2% had fewer than 100 employees.<sup>6</sup> As such, small businesses are the core and backbone of our business community and economy.

A look at the revenue statistics regarding small businesses further illustrates their importance. Small business income grew nationally at an annual rate of 11% for the first nine months of 1987 (compared to 12.8% for all of 1986).<sup>7</sup> Almost 95% of all sole proprietorships have fewer than 10 employees and account for two-thirds of all proprietorship receipts and workers.<sup>8</sup> In 1984, the small business sector sold \$32 billion in goods and services to the federal government. This represented 17.6% of the federal government's total purchases.<sup>9</sup> For the year 1983, non-farm sole proprietorships had business receipts of roughly \$500 billion.<sup>10</sup> In the year 1982, 8 million small businesses had receipts of less than \$25,000, 5 million had between \$25,000 and \$1 million, and 400,000 had assets and sales of greater than \$1 million.<sup>11</sup>

#### Development Assistance in Other Countries

In Great Britain, the government has made concerted efforts to support the creation and development of small businesses through creative financing. At the forefront of their efforts (from the business community), is National Westminster Bank, PLC.<sup>12</sup> Since 1979, the number of self-employed people in Britain has increased by 59%. The surge in small

business has contributed significantly to the turnaround in Britain's unemployment rate, which has declined steadily from a peak of 11.2% in 1987, to 7.7%, in October, 1988.<sup>10</sup> A major factor in the entrepreneurial surge is the support of the banking community. It has begun to view lending to small businesses as crucial to growth. In light of the growing skepticism surrounding the future of investing in leveraged buy-outs, the "new growth investment" is small entrepreneurialship.

New Growth Investment is a concept that embodies a comprehensive approach to business development. The first aspect of the approach is business readiness. To the extent that a business has proper financing, a skilled management team, a saleable product and a viable plan, it should be able to succeed. Notwithstanding the other factors that affect the success or failure of a business, these are the major factors, and are factors that are within the entrepreneur's control.

The concept envisions that owners of expanding or new businesses participate in a continuous education and analysis process that is geared toward increasing the likelihood of the success of the business. In this way, the entrepreneur becomes familiar with the institutions' qualifying requirements; the institutions gain first-hand knowledge of the business' operation and their credit-worthiness; the entrepreneur gets the training needed to develop and/or maintain a viable business, and the process can include an assessment component which would isolate those potential businesses which are not prepared to start, expand or continue in business.

A program of on-going education, particularly for business borrowers, would increase the likelihood of success of the business. In turn, it will make the business less risky and more credit worthy, and begin to reduce the alarming 85% failure rate among small businesses. The key to this process is the guarantee of financing upon "successful" completion of the program.

The second element of New Growth Investment is business creation --- the financing of new and growing businesses. The concept envisions the pairing of "matches that make sense" - (a) joining small business service or product providers with other viable small

businesses that provide similar or complementary services or which utilize such services or products; and (b) joining small businesses with large corporations and or state and local governments, where the latter serves as the "anchor" for the small entrepreneur.

The objective is not only to put people in business, but to develop businesses with growth potential and to facilitate that growth. Through joint ventures and merging of business talents, services and resources, a building process is created that stimulates the economic base of communities. The economic base drives regional growth. This base is made up of firms that "export" products or services out of the region or produce goods or services that might otherwise come from somewhere else. The local market economy (retailers, restaurants, real estate developers, etc.) feed off of the economic base. As such, the priority of New Growth Investment should be developing the economic base so as to stimulate the local market economy.

The programs must be comprehensive and decentralized. Comprehensive in that it must encompass all of the elements associated with business development (business readiness, educated work force, housing, etc.). Unfortunately, while New Jersey has programs that reflect the multi-dimensional nature of the problem, there is no coordination among them. As such, there is no comprehensive approach. The programs must be decentralized because development is a local phenomenon generated by local entities, banks, businesses, governments, etc. If, however, there is no overall plan for development, the state, and possibly the contiguous regions, may suffer. These roles could easily be embodied in the State Plan.

#### Development Assistance in Other States

One model project in operation since 1973 is the Shorebank Corporation in Chicago. It is a bank holding company that was established to create a permanent urban renewal process. Shorebank owns and manages, a commercial bank (The South Shore Bank of Chicago); a real estate development corporation; a venture capital company; and

a non-profit organization that engages in job training, creation and placement, business skills training and housing development. All the components necessary for community development are in one place. This bank, along with its affiliate in Arkansas (Southern Development Bancorporation), is recognized as "one of the most dramatic inner city success stories of the past 25 years."<sup>4</sup>

This institution recognized the intimate relationship between development, job creation, education and housing, and for 16 years has worked at a comprehensive community development process that works. Such an approach is the objective of New Growth Investment. It proposes to invest in people rather than spend money on people.

In Pennsylvania, the Ben Franklin Partnership offers a comprehensive variety of services locally through the Advanced Technology Centers. As a result of analyzing the state's strengths, Pennsylvania created a partnership between the business community, state government and the universities to take advantage of those strengths — fifth in the country in the number of scientists and engineers in the state, the number of workers employed in the advanced technology industry, and the amount spent on research and development.<sup>5</sup>

In 1983, a Task Force for a long term economic strategy for Michigan was initiated to analyze the problems of that state's economy with an eye toward developing an effective long-term prescription for curing the problems. That study resulted in The Path to Prosperity published in November, 1984 and re-evaluated in November, 1988. Like Pennsylvania, Michigan's strengths were identified (manufacturing autos, machinery, steel, etc.). It determined that Michigan was losing its market share in its strongest area because the cost of labor in other countries was cheaper. The solution was to produce and market their products in new ways which make the production more cost effective. The use of hi-tech mechanisms for production was the key. The study resulted in the creation of a public-private partnership — the Michigan Venture Capital Fund — created using 5% of state pension funds, for venture capital investment. This stimulated private investment in existing and start-up businesses and a "co-investment" strategy that took the politics out of business development. In addition, Michigan created the Michigan Strategic Fund (which

helped capitalize Business and Industrial Development Corporations) and the Michigan Biotechnology and Industrial Technology Institutes, both applied research consortia at universities funded by industry and government.

The education component was addressed through three programs: the Technology Deployment Services, the Office for New Enterprise Services and the Michigan Modernization Service. All of the activities were initiated as a result of an analysis of the state's economic and community development needs.

#### Focus of The New Jersey Public Sector

The underlying thread running through all of the challenges is funding. How will states and cities pay for the infrastructure, housing, education, transportation and other services and pre- requisites necessary to make economic development viable in urban areas. As such, the priority focus of state government should be on tax reform. A more equitable system of funding municipal services is paramount to discussions about economic development and the other policy areas discussed in this report. Also, state supported, innovative financing programs need to be developed which encourage public and private investing in small businesses. There are several models initiated in other states, such as those described above in Pennsylvania and Michigan.

The next challenge for the state is how the money should be spent. The specific needs and deficiencies of each urban municipality vary from city to city and from region to region. The focus of each must be based upon an assessment of the respective priority needs. Of the public services discussed here, education should be the top priority for all urban areas. Housing and infrastructure needs should also be high on the list of all urban areas. The state, by legislative mandate, has primary responsibility for the education of its citizens. The recent Abbott vs Burke decision will influence the state's mandate for financing public education. In addition to the existing institutional education system, the state must look to providing support for 'non-institutional' training and retraining of its

labor force. Part of the responsibility for this education effort lies with the private sector

The corporate community has as much to gain from an educated and retrained workforce as does the rest of the public citizenry. It is a financial investment that will redress their own burgeoning labor needs. Through the collaborative efforts of state government, institutions of higher education and business and industry, the costs of educating and re-educating the workforce can be shared, an efficient and effective program can be implemented and favorable environment for development created.

The same is true for housing. The state must continue to provide funds for housing development. It must take greater efforts to support non-profit housing development. It must foster a relationship among (and coordinate the efforts of) non-profit, corporate and state agencies for the development of housing in targeted locations.

The business development strategy must be consistent with the housing development strategy and complemented by an education improvement plan. State and municipal government must jointly develop a strategy for setting priorities in the allocation of money for the services needed by urban cities. The State Development and Redevelopment Plan should act as the basis for this coordinated work-product outlining priority needs, proposing alternatives to meeting financial needs, and developing an implementation strategy.

#### State Programs

In each of several State Departments (Commerce, Community Affairs, Human Services, Labor and Transportation), there are programs to support small business. However, they are poorly marketed and lack coordination. There is no focused objective among them and in many areas a duplication of efforts exists. There also is no system of evaluating programs and their effectiveness.<sup>10</sup> The decrease in federal support for many programs --- The Small Business Administration (SBA) in particular --- means a greater burden must be borne by state government to meet the needs of the small business community. An assessment of existing programs and their effectiveness particularly since

the demise of federally sponsored programs is warranted.

A 'strategic' review should be conducted to determine the current status of existing programs and analyzed in the context of the current economic environment to determine their current value and utility. "Governments are most successful when they take time to analyze their economy before acting."<sup>11</sup> It is through this analysis that a careful plan for development can be devised based upon the state's most productive niches, rather than allowing the economy to be totally reactive to market forces or trends.<sup>12</sup> To the extent that a strategy can be developed that anticipates predictable market changes, the state can embark upon a guided economic journey --- a plan that allows for the unexpected but one which provides all of the actors with the coordinates to arrive at the same place.

The Office of Economic Policy in the Department of Commerce was charged with the responsibility for analysis of the state's economy. In fact, it prepared an annual report which provided some guidance in developing a direction for economic programs in the state. Based on a review of the activities of the Department of Commerce along with the interviews of key personnel, it appears that there is a gap between the analysis, the development of strategies and the implementation of strategies.

I have discussed public-private partnerships, but the need for incentives to developing them cannot be overstated. Projects such as those at The New Jersey Institute of Technology (N.J.I.T.) and Stevens Institute, where incubator programs support and spawn new hi-tech businesses, are important to economic development. This is precisely the type of endeavor that neatly lends itself to public-private cooperative efforts. The state must empower the local actors and create new ways for them to interact. Local leadership must be mobilized to work in concert.

Some focus upon developing manufacturing businesses is critical to the economic life of this country, and New Jersey in particular. There isn't a retraining program that empowers the unskilled urban resident to take on the information-oriented, technical jobs that are available. Manufacturing plants will take advantage of that resource. The development of manufacturing businesses will also begin to address a national problem

manifested by the trade deficits with countries like Japan. Manufacturing computer chips and other hi-tech and non-hi-tech commodities domestically will reduce our dependence upon the economy of other countries.

Urban Industrial Parks Programs need to be expanded. The New Jersey Economic Development Authority has such a program to improve, subsidize and sell to developers property for industrial and business facilities. Such a program needs to be expanded. In general, the state programs that support small business and economic development are grossly undermarketed. Funds must be generated and allocated for this purpose.

Finally, there is no coordination between state job training programs, state employment programs and state-sponsored economic development efforts. Educational institutions should also be involved in coordinating job training, employment and the creation of jobs. The State Plan should be the mechanism through which these efforts are strategically meshed together for one comprehensive endeavor.

### Notes

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# STATE DEVELOPMENT AND REDEVELOPMENT PLAN: GROWTH MANAGEMENT STRATEGY AND TRANSPORTATION PROJECT PROGRAMMING

By

Wayne Bradley

## Introduction

The Preliminary State Development and Redevelopment Plan for New Jersey will establish a policy and program of growth management for the future development of land in New Jersey. This is an important issue for the state. Urban sprawl is an unhealthy condition resulting from three decades of intensive development of New Jersey's open space. The governmental apparatus to control rampant growth is in place. However, large-scale development projects are overwhelming and require a scope of review that is often beyond the means of municipal and county budgets. As a consequence, some developments have been approved without thorough consideration of their influence on attracting further development. This growth was encouraged in large part by some of New Jersey's fastest growing communities during a period of community land development called the 'ratable chase.' The fruits of this grab for tax dollars have given municipal leaders 20/20 vision in hindsight.

The cost of this sprawl is well reported and especially documented as its impact on the quality of life.<sup>1</sup> The concern is so acute that the reaction to it by all the branches of state government has put New Jersey at the forefront of growth management planning. The question is, will the policy and planning imposed by an adopted State Plan generate the intended effect of controlling urban sprawl?

No one is arguing against the notion that growth management is a proper goal of the State Plan. The challenge lies, instead, in establishing a causal relationship between its policy prescriptions and effective compliance by state and local governments and land

developers. Of course, the headline-grabbing debate over the means by which urban sprawl can be controlled is raging. However, this debate pales against the issue of whether the State Plan can have any impact on land development in New Jersey.

Given the development trends underway in this State, what chance does the State Plan have in reversing urban sprawl? Perhaps the most effective means available to government is its investment in the infrastructure that supports land development. The extent to which governments are able or willing to target infrastructure investments in ways to achieve the State Plan's urban pattern is open to question.

In other words, are new or improved sewer and water systems or major transportation projects too far along in the pipeline to be reconsidered for their influence on regional land development? The governments in New Jersey will have to do some tough rethinking and target projects consistent with a statewide growth management strategy if urban sprawl is to be controlled.

#### What The State Plan Prescribes is Good for New Jersey

The New Jersey Supreme Court considered the impact of the State's urban development pattern in two decisions handed down concerning the provision of affordable housing. These were the Mount Laurel decisions of 1975 and 1983, which imposed fair share housing obligations on growing communities. The decisions pointed out one glaring fact about the state. New Jersey's sprawling development was occurring without specific strategies to manage urban growth. In reaching its decisions, the Court, in effect, gave in to the reality of urban sprawl. The Court did not pass judgment on whether New Jersey's urban landscape was developing too fast. This was not its role in the Mount Laurel cases. The decisions acknowledged that growth was occurring, and said it should not happen to the exclusion of people wanting to live near the jobs that were relocating out of cities. This was the only jurisdiction the Court had any responsibility for, and yet the Mount Laurel decisions heavily underscored the dilemma of managing urban sprawl in New Jersey.

The New Jersey Supreme Court made the developer's case that, because some New Jersey communities were in fact growing, there was a constitutional obligation on their part to accommodate more growth. The lack of anticipation and action by the executive and legislative branches of New Jersey's government gave the Court no recourse except to invoke the constitutional principle of equal protection. The Court relied upon a draft State Development Guide Plan in documenting New Jersey's condition of urban sprawl. This Plan was not the authorized guide to land development in New Jersey, although it spoke of the need for controlling urban growth. It was never adopted by Governor Kean as official state policy, but the Court was compelled to give it official status.

The Mount Laurel decisions were the rude awakening necessary for invoking the responsible branches of state government to action. The consequences of ratable growth meant that communities had to accept zoning patterns they did not intend --- high-density, affordable, tax burdensome residential development. A legislative and executive response was necessary. The Council on Affordable Housing (COAH) was established to insure compliance with the fair housing formula imposed by the Court, but with a twist. The housing obligations would be met, but in a shared arrangement with cities facing severe housing shortages. As a consequence, the concept of suburban-city Regional Contribution Agreements (RCAs) was born. It was conceived to satisfy the desire of small communities to remain small, and to address a housing crisis in large cities. This reaction is moving communities in the direction of managing growth, but does little to stem the continued development of suburban and exurban land.

The motivation for this change in housing policy was not instigated by a concern about urban sprawl. However, it did come to terms with the reality that central cities have capacity to absorb growth. Still, the small, growing communities of New Jersey remain obligated to zone for part of their fair share of low-income housing. This, plus the increasingly dispersed journey-to-work urban travel pattern, is keeping the pressure on for targeting infrastructure investments in growing communities to accommodate urban sprawl.

The Mount Laurel cases provided the need for a growth-management strategy in New Jersey. Legislation was adopted promptly to establish the State Planning Commission. Here, at last, was official recognition that investment in urban infrastructure had to proceed in accordance with a statewide urban growth policy. The State Planning Commission was established with little controversy or fanfare, and it was authorized to impose a strong planning process in New Jersey.

However, the Preliminary State Plan, as a product of State Planning Commission's work, however, did not escape notice. Once it got the attention of land owners, planners and developers, a discussion began over the future development pattern of New Jersey's landscape. This discussion will persist. It was an important issue, brought boldly into the limelight and one that was long overdue. It correctly calls for a balance between economic growth and improving the quality of life in New Jersey. The controversy centers on a question of state sovereignty in determining which areas of New Jersey get developed and at what rates of community growth. However, no one argues that the current condition of urban sprawl should be tolerated.

The Preliminary State Plan soberly acknowledges that New Jersey is permitting urban growth to sprawl rather than proceed in a managed, controlled way. The size of commercial and residential projects transcend municipal and county borders, rendering the local development review process, in most cases, helpless to control rates of growth. The result is urban flooding, poor water quality, solid waste problems, and traffic congestion. These problems are currently heading the list of issues being legislated, promulgated and litigated in piecemeal fashion in this state.

The Preliminary State Plan seeks to balance economic growth with quality of life improvement by easing development pressures on farmlands and rural communities, slowing the growth of suburbs and influencing redevelopment of land in central cities. This is a radical prescription for New Jersey, because it flies against a development pattern that has been underway for the last three decades. The Preliminary State Plan reports that the trend must be reversed if New Jersey is to maintain a good quality of life, with diverse

development patterns offering an attractive mix of communities. The Plan calls for a 'Regional Design System,' that 'redistributes regional growth from sprawling settlement patterns into a variety of relatively compact, mixed-use communities.'<sup>12</sup> The question remains, however, about whether the Plan can effectively achieve this.

In order for the vision of the Preliminary State Plan to be realized, it must encourage growth management through the process of government. New Jersey governments directly invest millions in long-term capital projects to meet the capacity demands of urban growth. These governments, through the land development review process, also impose millions in private capital investment for growth-supporting infrastructure projects. Clearly, State Plan policy should have an impact on the targeting and phasing infrastructure improvements. Whether it can be successful in this is very much in doubt without radical policy prescriptions, and a firm process in place that governs state and local capital investment planning. Without this, the State Plan, although well-intended policy, will degenerate into a document of only passing academic interest.

#### Transportation Infrastructure Investment versus the State Plan Policy

The capital investment actions of governments in New Jersey have encouraged urban sprawl more than controlled it. The State Plan will have a difficult time realizing a growth management objectives in New Jersey given where infrastructure improvement dollars appear to be flowing. The transportation investment pattern is the best case in point.

As developers make their cases for rezoning to accommodate large development projects, the governments usually follow with their investment of dollars, or the imposition of developer fees to accommodate the new growth. Interchanges are being built, roadway lanes are being added and widened, and traffic signal progression is being improved, even computerized.

This growth is occurring with frightening speed along the state's major highways, notably Route 1 through Middlesex and Mercer counties. Access control is only now being promulgated by the state, but far too late to have a beneficial impact on the traffic-carrying capacity of certain congested stretches of state roads. As traffic on these roads continues to grow, it makes the persistent case to keep investing money on them to maintain their carrying capacity.

The State Plan, when and if adopted, will seek to reduce incentives for expanding the development of New Jersey land. The land now made attractive by excellent highway access, should, according to the Plan's preliminary policy, be prevented from development. These farmers and large land holders in the fastest growing counties object to this "condemnation" of their properties. This policy, they argue, deprives them of realizing the full market value of their land. So they oppose the treatment of their communities as "limited" or "no growth" areas of the state.

On the other hand, the Plan wants to redirect growth to the central cities, and stabilize the growth of suburbs and rural areas. County and municipal planning boards must adopt land use policies consistent with the State Plan's goals, or risk forfeiture of state funding for capital projects. In theory, this process of comparing local and state master planning, called the comparison phase of the Cross-Acceptance Process, is workable. Compliance to the Cross-Acceptance Process established by the Office of State Planning is happening. At the time that this essay was being prepared, 16 of New Jersey's 21 counties had submitted Cross-Acceptance Reports. The problem is not with the planning process as established by the State. Judging the reaction of most professionals and land owners, the process is workable and no one argues that it should not proceed. The difficulty lies with its authority. That is, will this process result in the establishment of necessary growth controls on sprawl development?

State-sponsored transportation projects to increase road capacity are primarily targeting suburban and rural locations as opposed to central cities, where the Preliminary State Plan would like such investments take place. The investments are following suburban

and rural land development. However, the Preliminary State Plan calls for a reversal of this trend. This must be reconnected to the point where growth management can be realized.

The recently announced New Jersey Department of Transportation Highway Trust Fund program for 1991 is an example. This plan is targeting road widening, new interstate links, and jughandles (to replace intersections) in suburban and rural areas of New Jersey where the impact is bound to increase land values and encourage greater development pressures. The obvious question is, why are there so few road improvement projects targeted for redeveloping cities where the Preliminary State Plan is seeking to promote economic growth? Figure One and Chart One evaluate the targeting of the Highway Trust Fund projects based upon type of improvement proposed. Note where the projects that will build new highway capacity are being proposed.

FIGURE ONE  
NEW JERSEY DEPARTMENT OF TRANSPORTATION  
DOT HIGHWAY TRUST FUND SPENDING  
Targeting of New Road Capacity by State Plan Growth Area

Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
R&R	NC	R&R	NC	R&R
14.3m	\$27.7m	\$78.3	\$384m	\$15.4m
<u>Growth Areas:</u>				
	Tier 1 = Redeveloping Cities			
	Tier 2 = Growing Suburbs			
	Tier 3 = Suburban Rural Towns			
	Tier 4 = High Growth Suburbanizing Areas			
	Tier 5 = Exurban Reserve Areas			

R&R: Repair and Replacement projects; not adding new capacity.

NC: Projects that will add new lanes/new roads; improve land access.

Source. NJDOT Highway Trust Fund Program, 1991

CHART ONE: Communities in Highway Trust Fund

<u>Communities in the Trust Fund Plan</u>	<u>State Plan</u>	<u>Tier Designation</u>
Atlantic County		
Atlantic City -----		none
Bergen County		
Ramsey, Upper Saddle River, Elmwood Park ---	2	
Mahwah -----	4	
Camden County		
Cherry Hill -----	2	
Winslow -----	3	
Cape May County		
Wildwood -----	none	
Cumberland County		
Upper Dearfield -----	4	
Essex County		
Newark -----	1	
Gloucester County		
Greenwich -----	2	
Hudson County		
Secaucus, North Bergen -----	1	
Hunterdon County		
High Bridge, Clinton, Readington -----	3	
Mercer County		
Trenton -----	1	
Lawrence -----	2	
West Windsor, Hopewell, Hamilton -----	4	
Middlesex County		
Plainsboro -----	4	
No. Brunswick, Woodbridge, Sayreville -----	2	
East Brunswick, Old Bridge -----	2	
Rahway, New Brunswick -----	1	

Monmouth County		
Mountain Lakes, Denville, Randolph, Riverdale -----	2	
Montville, Parsippany - Troy Hills, -----	2	
Dover -----	1	
Ocean County		
Toms River -----	none	
Passaic County		
Passaic -----	1	
Wayne, Wanaque -----	2	
Salem County		
Mannington, Pilesgrove -----	3	
Somerset County		
Bridgewater -----	2	
Sussex County		
Stanhope -----	4	
Union County		
Elizabeth -----	1	
Warren County		
Hackettstown -----	3	
Independence -----	5	

NOTE: These tier designations are preliminary. They are subject to final determination when the Final State Plan is adopted.

The only Tier 1 new capacity planned out of this multi-million dollar program is the construction of Route 129 in Trenton to link up with Route 29. Of the new capacity projects planned for Tiers 2 and above, \$174 million is for construction in 1991, while the balance is for early project phases --- including design, land purchase, and environmental

study. This means the state is establishing a long-term commitment to use Trust Fund dollars to build projects in State Plan designated low-growth areas

Appearances mean everything. If the State Department of Transportation shows a willingness to build new highway segments, or widen roads in response to growth pressures, why should land developers down-size their site plans? This of course, is not an entirely fair question of the State DOT, because the state should be responsive where capacity is necessary to facilitate well-planned economic expansion. The fair part of this question is that the planning mindset is wrong in New Jersey. By our actions, we appear persistent in the belief that the answer to managing economic growth involves building new facilities, when in fact the solution is land use control. We should manage growth by permitting it where it can be accommodated, rather than accommodating it where ever it occurs.

Building transportation capacity, as distinguished from controlling land development, is a reactionary approach to the severe condition of urban sprawl in New Jersey. The rush-hour problems (on Routes 15, 23, and 94, on Interstate 80, and on the two-lane county roads) in Sussex County are a vivid example. Highway access, with the completion of Route 80 in the early 1970's, opened up this rural county to tremendous development. The cornfields gave way to condominiums and hotels. People are moving into Sussex County in record numbers. This growth quickly overcame the recently built highway lane capacity. The "knee-jerk" reaction might be to expand highway capacity, but this is a reaction that will not work. The county planners and businesses see the solution to the traffic congestion problem as promoting more local commercial and industrial growth so residents can work where they live.<sup>1</sup> They say that this would keep residents from congesting the roads, as they do now, on their journey to work out of the county.

## Responding to a Growth Management Policy

The targeting of transportation improvements that will be built over the next several years may work against a policy to control urban sprawl and redevelop cities. There are three reasons why this difficulty presents itself. First, road improvement projects have long lead times in reaching final construction. Project sponsors are fortunate if they find no negative environmental or community impacts associated with the planned improvements. The usual phasing for roadway projects is to determine the project's feasibility, evaluate its costs, undergo preliminary and final design, evaluate any negative impacts, purchase (or condemn) any needed land, stage the construction activity, and build the project.

The early funding commitments for complex projects can be quite large, and can make it difficult to justify terminating the project once a lot of money has been spent on it. The expense of widening roads or building jughandles, ramps and road segments usually involves such large amounts of money that it takes several years of annual budget installments to amass the necessary funding to complete all the work. If complications arise during the design or land purchase stages, it could significantly raise the cost of construction. A growth management policy that is imposed onto this scenario and calling for postponement of the project will be ignored. The vested interests, time, money and bureaucracy behind the project set up an inertia that will be hard to overcome.

The second reason it will be difficult to establish growth management is that the fast-growing communities are making a strong case for having new capacity invested in their areas. The 10-to-20 year old highways that opened up their land to speculation and growth have been overwhelmed very quickly. There is a need to meet the new traffic demand with more capacity and more efficient systems --- jughandles, overpasses, traffic circle cut-throughs, dedicated left turns, deceleration lanes, etc. This is the point counties like Sussex, Ocean, Somerset and other fast-growing communities are making. By virtue of their high growth, they now have real needs. Their two-lane rural roads, not designed

to carry the rush-hour traffic they are now experiencing, have to be improved. For them it is quality-of-life issue. The urban sprawl, that should be controlled, is way out in front of the planning policy that would slow it down. The pace of traffic growth in these areas cannot be ignored, nor stopped by wishful thinking.

Lastly, the third impediment to effective growth controls concerns the capital planning process itself. There is no evaluation criteria that subjects a project to a regional impact analysis to determine the effect it will have on inducing land development. The reason for this is that the road improvement projects are planned because they are already needed. The proposal to build 900,000 square feet of office condominiums that will impact a local intersection and highway interchange justifies the need for an improvement project. The community's subdivision and site plan review determines whether the development should be built and at what size, not the lack of resources to build a road improvement. If the development gets a green light, any necessary infrastructure improvements are programmed in a capital plan, using either public or private dollars, or some combination of both.

This is the "knee jerk" planning reaction that says we accommodate the economic growth as it occurs rather than plan for it in a regional context. The question that should be raised is whether that road improvement, necessary to facilitate traffic flow, will increase the attractiveness of adjacent land and induce further development in the area. This is an acute situation when land in exurbia is opened up to development. The first few developments get approved, generating new, supporting infrastructure, and this infrastructure in turn attracts further development.

The Preliminary State Plan recognizes the program of out-of-control urban growth. Its policies, and the Cross-Acceptance Process, should produce the best statement of growth management yet to be adopted in New Jersey. However, what can be done to assure compliance with the policy statements? This is a tough question and, the response to it will determine whether New Jersey ever progresses toward the "Regional Design System" envisaged by the State Plan.

## Conclusion

The imperative is to take action. As the Cross-Acceptance Process enters the negotiation stage, the planners of this state must be mindful that: 1) land development control is a key preventative against traffic congestion, and 2) the capital planning process must evaluate projects in the context of regional land development. The state's central cities and densely developed counties present a clear case for improving existing facilities and building new road capacity. Capital projects to improve regional access and enhance traffic flow are priority concerns in the larger cities. A commitment to return economic prosperity to the designated growth tiers involves investing in ways that are consistent with an efficient and economically vibrant New Jersey landscape.

If the State Plan is to become an effective guide to land development, governments must target roadway and highway projects where they will not influence land attractiveness in the low or no-growth tiers. The State is already managing transportation project planning in an 11-county, 2-city urbanized area of northern New Jersey. The North Jersey Transportation Coordinating Council (NJTCC) is responsible for transportation project planning and regional studies for Essex, Somerset, Passaic, Middlesex, Morris, Sussex, Ocean, Monmouth, Hudson, Bergen, and Union counties, plus Newark and Jersey City. This region spans all the Preliminary State Plan growth tiers and, through the NJTCC, these communities are coordinating their transportation planning.

As a start to this process of regional impact review, the NJTCC can be given appropriate oversight responsibilities. The NJTCC provides a wonderful opportunity to guide the targeting of transportation improvements to areas where growth is prescribed by the State Plan. The NJTCC can establish a process for analyzing transportation projects for their impact on land development. This is an involved, rigorous process that must be supported by regional study. However the NJTCC is not capable of getting involved in this process as it is presently managed by the State DOT. It is a scaled-down version of the Tri-State Regional Planning Commission which was very involved in regional studies

for New York, New Jersey and Connecticut, and has had little impact on the targeting transporation investments according to a regional scheme of growth management. The NJTCC succeeded Tri State almost 10 years ago, serving as a pass through for federal transportation improvement funds and coordinating the development of a regional transportation planning document. This agency can be granted more authority and review powers, and undertake the evaluation of transportation project planning on regional growth.

Notes

1. Real Estate Research Corporation, 'The Costs of Sprawl,' 1974, pp. 278.
2. New Jersey State Planning Commission, Office of State Planning, "The Preliminary State Development and Redevelopment Plan for the State of New Jersey," 1988, p. 45.
3. The Sunday Star-Ledger: "Officials Fear State Master Plan will Freeze Economic Imbalance," p. 44.

## URBAN REVITALIZATION

By

Howard Moon

### Introduction

African Americans in New Jersey reside disproportionately in the State's urban areas. As such, the fate of African Americans in New Jersey is inextricably linked to the revival of the state's major cities.

This article was written in response to the State's Preliminary Redevelopment Plan and its effect on distressed cities, such as Camden, Newark, Trenton, Jersey City, and twelve other urban local governments. Several factors influence the extent of revitalization in urban areas. This article discusses these factors and indicates where the State Plan can play an important role.

According to the County and Municipal Government Study Commission, "Since the 1982 national recession, New Jersey has out-performed the national economy in employment, personal income, housing starts and other important economic indicators." Even though New Jersey is prospering as a state, many of the state's urban municipalities are trying to cope with severe economic distress and physical deterioration. The dichotomy between New Jersey's municipalities is due to the fact that in the past thirty years there has been a profound change in the state's economy. In retrospect, urban cities, which have historically been centers of manufacturing in the state did not adapt well to the structural shift from a manufacturing to a service-based economy. Therefore, cities such as Camden were no longer the primary centers.

Table 10.1  
NEW JERSEY EMPLOYMENT BY SECTOR 1970-1982  
(Thousands of Jobs)

Employment Sector	Employment Change*				Percentage Distribution	
	1970	1982	1970-1982	Percent Change	1970	1980
<b>Goods Producing:</b>						
Manufacturing	863	728	-135	-15.6	33.1	23.6
Mining	3	2	-1	-33.3	0.1	0.0
Construction	119	107	-12	-10.1	4.6	3.5
Total Goods Producing	985	837	-148	-15.0	37.8	27.1
<b>Service Producing:</b>						
Transportation & public utilities	182	196	14	7.7	7.0	6.4
Wholesale and retail trade	538	698	160	29.7	20.6	22.6
Finance, insurance, and real estate	118	167	49	41.5	4.5	5.4
Services	410	662	252	61.5	15.7	21.5
Government	375	526	151	40.3	14.4	17.0
Total Service Producing	1623	2249	626	38.6	62.2	72.9
Total	2608	3086	478	18.3	100.0	100.0

Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings. Data reprinted from: Sternlieb and Hughes, The State's Demographic and Economic Dynamics.

\*Data refer to nonfarm payroll employment and represent annual averages

As shown in Table 10.1, the goods-producing jobs, which include manufacturing, mining, and construction, declined from 37.8% of all covered employment in New Jersey in 1970 to only 27.1% in 1982. At the same time that decline was taking place, the service sector of New Jersey increased from 62.2% of all covered employment in 1970 to 72.9% in 1982, or nearly three-fourths of all covered employment in the state.

Another key factor in the decline of urban centers is the loss of a large portion of their population and the extreme disinvestment that has taken place. Since the out-migration included a large percentage of the middle-class households, as well as well-established business, the remaining population was largely the elderly poor on fixed income and single parents. This exodus has taken place by all ethnic groups, leaving a population that can not afford to maintain the aging housing stock and infrastructure in these cities.

### Property Tax Reform

Due to these and other crucial factors, property taxation in distressed cities has become excessive. Not only is it difficult for the existing population to maintain their homes, but it also becomes more practical for investors and small business entrepreneurs to look outside of the city to establish their business. According to the New Jersey Future's Report, The Cities Stake in the State Plan: An Urban Agenda for the 1990's, "Property taxes in 1986 accounted for 97.6% of local tax collection in the state, while nationally this source made up only 74%." The NJF Report concluded that,

Dependence on property taxes would not be a problem if property values, wealth, and public-service needs were evenly distributed. But they are not. In all but the City of Elizabeth, effective tax rates in 1988 for the State's largest cities ran more than one and a half times the statewide average. New Jersey's poorest city, Camden had an effective property tax rate more than twice the statewide average (see Table 10.2).

Table 10 2

## EFFECTIVE TAX RATES FOR NEW JERSEY'S SIX LARGEST CITIES, 1985-1988

City	1985	1986	1987	1988
Camden	6.39	5.51	5.99	4.89
Elizabeth	3.13	2.96	2.64	2.41
Newark	5.53	4.75	4.20	3.86
Jersey City	4.95	5.07	4.22	3.68
Paterson	4.25	3.91	3.71	3.78
Trenton	5.02	4.85	4.40	3.53
Statewide Average	2.49	2.38	2.20	1.99

When one examines the reasons why property taxes are so high in New Jersey's urban centers, several factors are evident:

1. The dependent character of the population places a high demand on public services, especially police and fire protection. For example, according to Camden City's Cross-Acceptance Report, "Camden has a disproportionately large youth population; 33,000 residents, or 42% of the City's population, are under age 21. Youth demand more health, education, transportation, and safety services relative to the rest of the population."
2. Local government cannot provide adequate levels of public services because of a lack of revenues. This lack of adequate public services in turn creates problems in attracting ratables.

- 3 Since property taxes are so high, the existing population has difficulty paying them. Therefore, there has been a gradual change in the character of the neighborhood from that which was primarily home owners to renters. The absentee landlord usually invests in the neighborhood simply for profit instead of for concern for improving the community. This type of environment is conducive to deterioration and devaluation of an area, which in turn, leads financial institutions to limit investments in the community. Thus, de facto red-lining occurs.
- 4 Finally, most urban centers have large tracts of land which are owned by government, colleges and universities, and other non-profit institutions that do not pay taxes.

Tax reform is very much needed in New Jersey, especially in the inner cities or redevelopment areas of the state. As one of the initial steps for this tax reform system, the New Jersey Supreme Court recently ruled that the current funding system for education was unconstitutional because children in many school districts were not receiving an education equal to those in the more affluent districts. This has been largely a result of the over-reliance on property taxes to fund schools. The redistribution of education funds, along with the shift of the financial responsibility from local governments to the state for the funding of selected services (e.g., state mental institutions, public assistance, etc.) should alleviate some of the very heavy burden on the local residential and business property owners. The local governmental officials, including planning and zoning board members, will be in a better position to make decision based on sound economic and planning principles instead of just reacting to financial and developmental pressures to generate tax ratables to provide adequate public services. Once a comprehensive tax reform system is in place, there will be a better balance between all state and local taxes to ensure that local governmental resources are sufficient to finance local expenditures and to relieve the present pressures on the current tax system.

## Employment

Most urban areas have high unemployment, in contrast to the state as a whole where unemployment is low. According to the City of Camden's Overall Economic Development Program, August 1985,

The City of Camden's economic development remains based on the premise that the revitalization of Camden will occur with the re-establishment of an employment base. Large numbers of jobs must be created and filled by Camden City residents. As businesses move into and expand in the City, commercial and service firms will expand to serve those businesses' needs. As disposable income rises, neighborhood businesses will grow and residents will again be able to make investments in their housing stock.

It is clear that we need reinvestment in Camden, as well as in all urban centers, by banking institutions, governmental agencies and private and commercial businesses. Urban Enterprise Zones have not had a significant impact on creating reinvestment in 'business areas' of urban aid cities through their incentives such as tax relief, loan priorities, and job training support for a twenty-year period.

Since it will take time for businesses to move back into cities, we need to look for a more immediate solution to assist the population with the unemployment problem. Viable employment can be found in the surrounding suburbs, however, three potential barriers must be overcome:

1. Workers that live in the city must be informed of job opportunities.
2. Workers must have efficient and affordable transportation to and from work.
3. Workers must have on-the-job training made available to them if they lack the necessary skills to perform the job.

One alternative would be to enhance worker competence by making it an explicit objective of social policy. The income opportunities could be enhanced through job training and development as emphasized in the Jobs Training Partnership Act (JTPA) and the Realizing Economic Achievement (REACH) programs. The latter is a program to

encourage welfare mothers to enter the job market and become productive citizens by reducing their reliance on welfare payments for survival. This program can be successful if families can maintain healthcare benefits and adequate child care once mothers enter the workforce and find employment. Once successfully employed, health insurance by employers can be substituted for medical assistance provided through welfare. Additionally, welfare mothers should receive incentives if their children continue their education beyond the high school level. This education could be subsidized by the employer, government and educational institutions as a collaborative effort.

This will help provide suitable workers for industries that need a work force of trained and competent workers. Most of our distressed cities in New Jersey have a surplus of population that could be assimilated into these industries. Future business trends indicate that it would be most cost effective for major industries to have headquarters near major cities.

#### Education

There is a need to adopt a policy that mandates improved educational facilities, services, and programs within our growth management and development plans. The teacher is the primary resource needed for educating children. Teachers must have love and respect for students, their profession, and the community. School administrators (i.e., principals) need to spend more time visiting classrooms to observe, instruct, and evaluate the educational process in the classroom. In many cases too much time is being spent on bureaucracy.

In this age of modern technology, teachers need to use computer systems to enhance educational programs in the curriculum. More hands-on type of training should be given for students in audio-visual equipment. The school library should be at the core of the learning system where a reservoir of information is available to students and teachers. All of our schools should be adequately equipped in this respect.

There is a need to improve in-service education for teachers and principals to enhance their educational skills in use of modern technology. Many teachers have computer programs but do not use them as effective tools for student learning. Some teachers do not know how to operate the equipment.

Increased numbers of qualified and trained counselors should be assigned to all schools. (Male counselors for boys). At the present time, many schools only have part-time counselors a few days per week. These counselors should have smaller numbers of students as a workload. They should also counsel the parents and visit the students in the home environment. Parents that have not completed high school should be encouraged to complete their education and seek job training where appropriate. Young parents should have parenting skills incorporated into school activities, particularly in the primary and secondary school level.

School Boards need to receive more in-service education and place more emphasis on the quality of education that takes place within communities.

Facilities should be made available for latch-key children with structured activities to include homework tutoring programs.

We must preach, teach, and emphasize love, respect, justice, and equality in our classrooms, institutions and communities.

## Housing

Affordable housing needs to be addressed since it is a crucial component to neighborhood redevelopment in urban areas. As shown in Figure One, average home prices have increased markedly over recent years.

It is critical that, through various technical studies, neighborhoods are targeted and examined for renewal, infill, and new construction. According to the City of Camden's Cross-Acceptance Document, "The number of housing units as a measure of revitalization of neighborhood stabilization must be viewed over a period of time, responding to issues

of sustained affordability and maintenance. Utilization of housing as an indicator of neighborhood stability in revitalizing areas must be coupled with quality controls and design standards.<sup>7</sup> To help make a neighborhood become viable, our focus should be to strengthen the relationship between housing programs, public safety, job training, public education as well as other key services.

In addition, as we work towards bringing more people back to our urban centers, there must be an appropriate socioeconomic mix of the population. People should not be displaced from their neighborhoods, therefore, the new middle class population will need to become a part of the existing neighborhoods. This would eventually create a stronger tax base, which in turn, will improve public services, entice increased economic development (because there will be sufficient earning power to support retail activities), and increase the need for a labor force in the city. This was accomplished in the experimental town of Columbia, Maryland, where they constructed a new town with balanced and affordable housing that allowed for a diverse socioeconomic population.

#### AVERAGE HOME PRICES

##### PERCENT CHANGE

County	1970-80	1980-88	1970-88
Burlington	135%	110%	393%
Camden	186%	87%	435%
Gloucester	179%	76%	390%
Three-county Average	166%	91%	408%

Source: Rutgers Regional Report. Volume II  
New Jersey Home Prices

## Summary

As I reflect on these issues, I understand that out of the 567 municipalities, only a small portion of these municipalities are distressed. Those municipalities that are not distressed have over 67% of the voting population. The State Development and Redevelopment Plan's main focus should be to improve the prosperity of these distressed areas through redirecting investment, employment and housing, back into the urban areas. This is the most comprehensive process that we have available to us. The citizens of New Jersey should give input and support to this plan since it encourages the rebirth of our urban centers.

# PARTICIPATION BY AFRICAN AMERICANS IN THE CAPITAL CITY REDEVELOPMENT PLANNING PROCESS

By

Barbara A. Eanes

## Introduction

In 1957, House and Home published an article derived from a study by the University of Pennsylvania's Planning Department. The article described Trenton as old, decaying and suffering from ills such as obsolescence, overcrowded housing and antiquated transportation. The 1957 article predicted that in 25 years Trenton would be a "nightmarish, ethnic, low-income ghetto. The downtown may be abandoned, or else be a Negro shopping district."

Unfortunately, many of the predictions have come true. Trenton is a city populated by low income minorities. The city that suffers from all the standard urban pathologies: crime, substandard housing, drugs, high unemployment and inadequate public services.

The situation is not hopeless. Efforts are underway to help ameliorate some of Trenton's pressing problems. This essay looks at one such effort—the Capital City Redevelopment Corporation (CCRC). My contention is that the CCRC has not forged strong links with the African-American community. Without these links, the efforts of the CCRC will not be representative of most Trentonians. Ultimately this lack representation may limit the effectiveness of the CCRC.

The Capital City Redevelopment Corporation was created by an act of the New Jersey State Legislature and adopted into law (P.L. 1987, c. 58) on March 3, 1987. The legislature stated that:

The city of Trenton is of unique significance to the State and the nation.. as the State capital and center of State government operations, and as the site of the battle which in the nation's memory turned the tide toward American independence;

...The historic and public importance of the city...has too long been neglected...and, as a result, the city is in great need of redevelopment and revitalization;

...It is a public purpose of this State to establish a capital district...and to create a redevelopment corporation...which will plan, coordinate and promote...development... in a manner which enhances the vitality of the district...and thereby restores the prominence and prestige of the seat of State Government for the benefit of all of the citizens of the State;

. In the exercise of its powers toward this public purpose, the Capital City Redevelopment Corporation will plan, coordinate...activities within the district . in order to establish it as a source of State pride equal in standard to the best of State capitals in the country.

### Background

Trenton is a capital city, with historic roots dating back to the earliest days of colonial settlement. Part of CCRC's mission is to retain treasured connections to its past.

Trenton's land area is 7.5 square miles. It has a population of approximately 92,124. The principal employment sector is government. The 1980 census counted whites (48.9%), African Americans (43.1%) and persons of Spanish origin (8.0%). African Americans and Hispanics comprised a majority of the city's population in 1980 and probably an even greater majority in 1990. Additionally, the 1980 census reported 21% of Trenton's residents had incomes below the poverty line. Of all individual residents of Trenton counted by the 1980 census as below the poverty line, 62% were African American and 13.6% were Hispanic. Trenton households accounted for 91% of all 1986 Aid to Families With Dependant Children (AFDC) cases in Mercer County. Therefore, Trenton has a disproportionate share of Mercer County's poor.

### CCRC's Jurisdiction

CCRC has jurisdiction over that portion of Trenton in which the bulk of State buildings and historic sites are located. The area falling under the jurisdiction of CCRC is bordered by Calhoun Street to the west, Clinton Avenue (including the railroad station)

to the east, the Delaware River to the south, and north to North Broad Street at the Battle Monument. CCRC is strategically located and is accessible, due to Trenton's transportation system of road, rail, and water. The district may be expanded after the first three years of the corporation's existence, by mutual consent of the corporation and the City of Trenton.

#### CCRC and Physical Planning

The legislation establishing CCRC mandates the development of a physical plan to enhance, promote and bring vitality to downtown Trenton. The legislation requires the corporation to adopt a 20-year Capital City Renaissance Plan to guide the "use of lands within the district in a manner which promotes the economic vitality of the district and enhances the quality of the public environment."

A physical plan is an important concern for long-term planning, but it is not the only concern. Planning is also necessary for the socio-economic problems faced by many in the neighborhoods surrounding the CCRCA. Combining physical redevelopment and socio-economic development has, so far, eluded CCRC planners.

#### Conflicting Goals of CCRC

Although concerned with the redevelopment of a specific local community, CCRC is a State agency (in, but not of, the State's Treasury Department). CCRC's main concentration appears to be attracting state workers downtown to shop. Such a strategy, however, often brings tensions between city residents and state employees.

Even more disappointing to the city, the state office workers have neither moved into new housing nor shopped downtown. To accommodate state workers, New Jersey also undertook, with city and federal support, a highway program to facilitate the movement of state workers in and out of Trenton. In building the new highways, rental

housing units and massive amounts of city park land, especially along the river, were destroyed. The question becomes: was this in the best interest of most Trentonians?

### Results of Interviews

During my research for this project, I interviewed a broad and diverse group of individuals. They included state and local elected officials, church leaders, professionals, business persons, labor representatives and CCRC staff. This was done to determine the extent of involvement of African Americans in planning, with a focus on how African Americans participate in the CCRC. My conclusions from the first interview are that the modest degree of participation by African Americans in CCRC activities is due to a lack of communication and the absence of a designated spokesperson for the community.

African-American participation can occur on several levels at CCRC. CCRC's planning process involves several components, including its staff, board of directors, oversight committee, consultants and the public. All of which can accommodate a larger African American presence.

How did African Americans participate at CCRC public forums? The number of African Americans who participated were few. The few African Americans that participated at the CCRC public forums probably were not made to feel comfortable in a setting with architects, planners, developers and bureaucrats. African Americans received a gratuitous "thank you" from the CCRC, yet none of their concerns were included in the CCRC plan. CCRC continued with their original plan. The African Americans that were present at the public forum had no expertise in planning or economic analysis.

In an interview with the executive director of CCRC, I asked him to share with me his feeling concerning why the African American community has not participated in the process. He offered two related explanations: 1) primarily, the African-American community concluded that CCRC was not a threat, and 2) CCRC was irrelevant to the African-American agenda and could not do anything for them.

I asked the executive director about the type of outreach used in the early stages of CCRC planning. He responded that CCRC used mail, phone, public notice procedure, the traditional newspapers, City Hall, Trenton library, and an established CCRC mailing list that gave notice for board meetings. I asked if he had used any African-American media, i.e., papers or radio stations. His response was no. Clearly there is need for added outreach to the community.

### The Future Outlook

Downtown Trenton is in dire need of revitalization. We must not go into the new century repeating the mistakes of the recent past. Urban residents need real economic development. CCRC is at the center of Trenton redevelopment. Projects start in the Capital District and mushroom into the surrounding neighborhoods. CCRC's boundaries should be expanded to encourage greater participation from the African-American community.

The new vision for Trenton has arrived. It is time for people in Trenton to stop being reactive and become proactive. African Americans cannot continue to blame others entirely for their lack of participation. African Americans should start to ask questions and challenge precepts underlying a program such as CCRC.

It might be true that if CCRC does not affect African Americans immediately or directly, they find it irrelevant. But it need not be that way. The people of Trenton can spur revitalization in downtown Trenton.

### Recommendations

What could have been done differently to achieve maximum participation by African Americans?

1. CCRC should reach out to the African-American community through African-American newspapers and radio stations.
2. CCRC should consult with community based organizations in the African-American community.
3. CCRC should consult with community based organizations in the African-American community.
4. CCRC's development plan is too narrow in scope and should be redefined. A "bricks and mortar" approach to redevelopment is not enough in the context of a city like Trenton. Any plan for Trenton has to incorporate a people centered approach in addition to physical redevelopment.

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\* Please note that the affiliations are shown for the purpose of identification only and are not intended to indicate the support or endorsement for the views expressed by any organization.

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